THE CHINA WEEKLY

REVIEW

Devoted to the Economic, Political and Social Development of China and its Intercourse with Other Nations

Is the Tanaka Ministry Plotting for War?

Feng Yu-hsiang and His 6 A. M. Interviews

Why Many Young Missionaries Quit

By T. T. Brumbaugh

The Proposed Ministry of Health in Nanking

By Loo K. T. Yen

Wanted—High Wages for Chinese Laborers

By Harry Paxton Howard

Shipping Troubles on the Upper Yangtsze

By C. B. Rape

The Fifth Plenary Session of the Kuomintang

By J. B. P.

評論報 密勒氏

SATURDAY, AUGUST 18, 1928

FORTY CENTS A COPY

Vol. XLV No. 12.

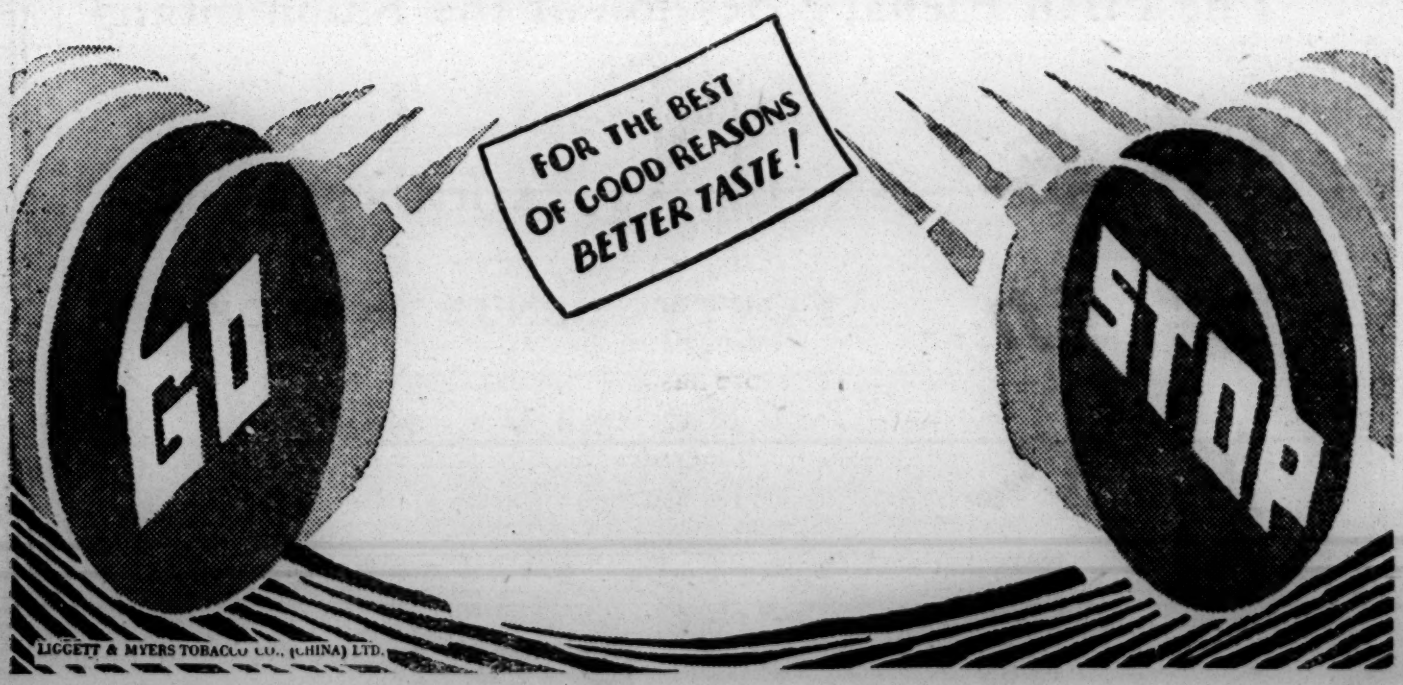
Millard Publishing Co., No. 4 Avenue Edward VII, Shanghai, China 上海愛多亞路四號密勒氏評論報

Insurance in the A.A.U. means a liberal policy, low cost and prompt settlement of cliams.

American Asiatic Underwriters, Fed. Inc., U.S.A.

Chesterfield smokers don't change with the traffic signals

...but watch how other smokers are changing to Chesterfield!



No Effort Spared to Serve You!

SINCERE

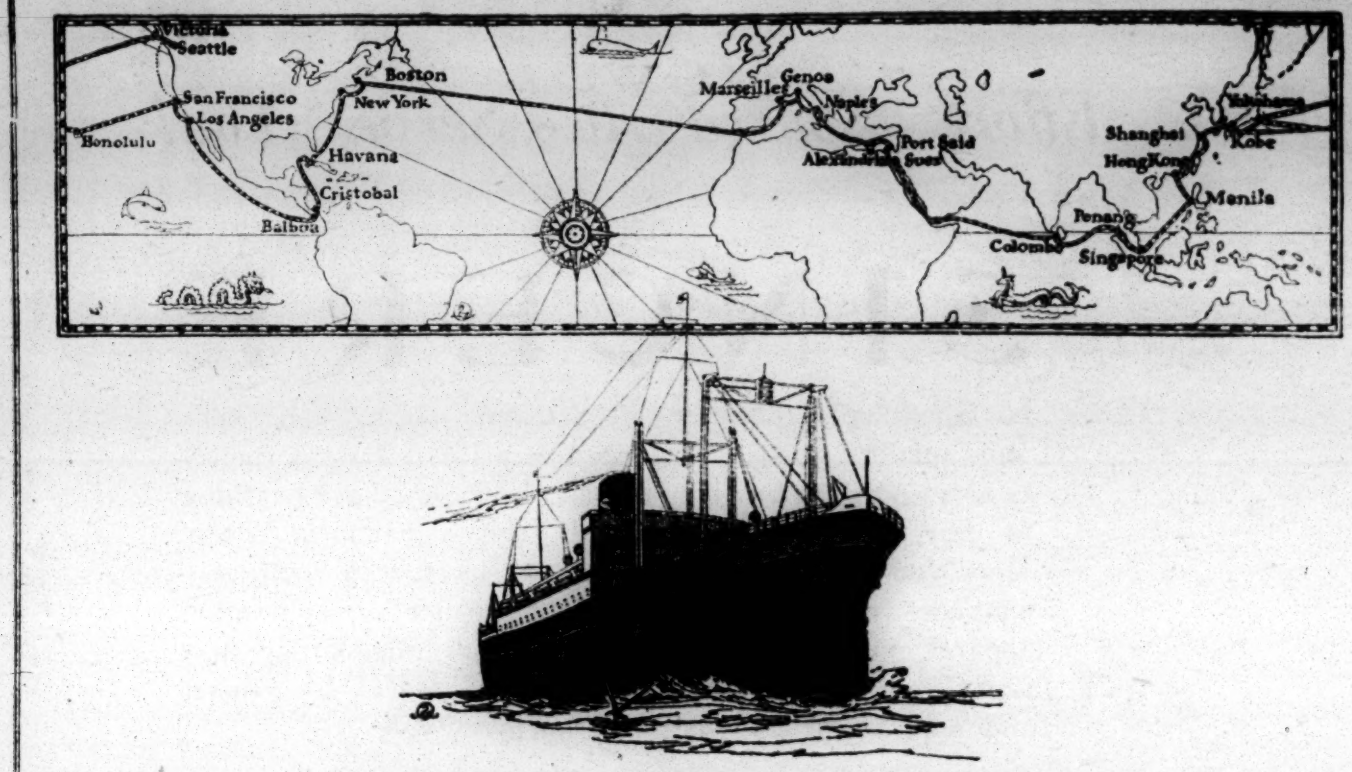
is Shanghai's premier department store and sells only quality goods at reasonable prices. Its sole policy is service to the buying public. When you have anything to buy, do not fail to visit this department store. Here you will find things that you have been wanting—exquisite works of art, beautiful furnishings, charming apparel, in fact, everything that your inclination may fancy—gathered from the markets of world by experts and sold at prices that will surprise you.

WING ON

is known throughout the Far East as the mark of highest quality in merchandise gathered from all over the world by experts in their line, and sold with the Wing On guarantee. Back of Wing On are years of experience in serving the buying public and in contributing to the development of better merchandising. You will be pleased with the varied assortment of goods of all descriptions which the Wing On store now has on display. Decide now to save on your purchases—with the additional advantage of buying only quality goods.

SUN SUN

is the most-up-date department store in this 'Paris of the Orient.' It has the utmost modern utility and convenience for discriminating shoppers, every detail of whose equipment will lend itself to the buyers' comfort and ease. This department store has taken stupendous pains to gather from the far ends of the earth the choicest commodities for its stock. The increase of the business of Sun Sun year after year can be ascribed to the Sun Sun policy of offering only reliable goods. The fact that these goods are sold at lowest possible prices enhances Sun Sun's prestige as the best place to supply all needs.



EAST OR WEST

A Service Unexcelled

The palatial "PRESIDENT LINERS" of the Dollar Steamship and American Mail Lines accord you the finest in Ocean Transportation. The public rooms are luxuriously appointed and commodious. The wide decks as well as the glassed-in promenade permit of deck games, strolls, long rows of steamer chairs and that appreciated sense of sheer enjoyment.

The Cuisine is world famous. Crisp lettuce, celery, fruits, fresh milk, eggs, meats, all delectably prepared by competent and skilful chefs. The service is all that you could desire.

The staterooms on "PRESIDENT LINERS" are all outside, large and beautifully furnished. Beds ensure maximum travel comfort. Hot and cold running water, wardrobes, mirrors, reading lamps, thermos bottles, fans. Many rooms have private tub and fresh water baths. You will enjoy traveling to America, Interport or Round the World to Europe on these great modern, fast Liners.

WEEKLY SAILINGS TO AMERICA
ONE WEEK TO SAN FRANCISCO AND LOS ANGELES VIA HONOLULU
FOLLOWING WEEK TO VICTORIA B.C. AND SEATTLE VIA THE SHORT ROUTE
FORTNIGHTLY ROUND THE WORLD VIA HONGKONG, MANILA, STRAITS, COLOMBO, EGYPT, ITALY, FRANCE, TRANSATLANTIC TO BOSTON AND NEW YORK

Dollar Steamship Line
American Mail Line

The Robert Dollar Co., General Agents.
BRANCH OFFICES IN ALL PRINCIPAL CITIES AND ROUND THE WORLD

密勒氏評論報

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

中華郵政特准掛號立券之報紙

Registered at the Chinese Post Office as a Newspaper for transmission with special marks privileges in China

VOLUME XLIV SHANGHAI, CHINA, SATURDAY, AUGUST 18, 1928 NUMBER 12

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

Cable Address "REVIEWING SHANGHAI"

PUBLISHED AT NO. 4 AVENUE EDWARD VII, SHANGHAI CHINA, BY MILLARD PUBLISHING COMPANY, INCORPORATED BY THE LAWS OF THE STATE OF DELAWARE, UNITED STATES OF AMERICA.

J. B. POWELL, Editor and Publisher

LIZEN SCHENG, Advertising Manager

CONTRIBUTING EDITORS

GEO. W. MISSEMER BRUNO SCHWARTZ (Hankow)
CHAS. A. DAILEY (Peking) WM. STEPHEN WANG (Tientsin)
H. P. SHASTRI SAMUEL H. CHANG (S'hai)
LAWRENCE IMPEY (Peking)

YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, TWELVE DOLLARS (CHINESE CURRENCY) IN ADVANCE, POSTAGE INCLUDED IN CHINA AND JAPAN. IN THE UNITED STATES AND FOREIGN COUNTRIES TEN DOLLARS U. S. CURRENCY. REMITTANCE FROM OTHER COUNTRIES THAN CHINA AND THE U. S. CAN BE MADE BY INTERNATIONAL MONEY ORDER. ENTERED AS SECOND-CLASS MATTER IN THE CHINESE POST OFFICE AT SHANGHAI IN MAY 1917.

Contents

Editorial Paragraphs
- Is The Tanaka Ministry Plotting for War ? 377
- Trying to Lift China Out of the Mud! 378
- Chinese Merchants go to Nanking 378
- Problem of Free Press and News Service 379
- The Council and Chapei Health Department 380
- The American Chamber and Japanese Propaganda 381
- Marshal Feng Yu-hsiang and His 6 A. M. Interviews 382

Special Articles
- Why Young Missionaries Quit ..... By T. T. Brumbaugh 387
- The Proposed Ministry of Health ..... By Leo K. T. Yen 389
- Wanted—High Wages for Chinese Workers ..... By Harry Paxton Howard 391
- Chang Hsueh-liang's Problem ..... By Mien Lowrie 393
- Shipping Troubles on the Upper Yangtse ... By C. B. Rape 394
- Text of Nationalist Trade Mark Law By N. F. Allman 396
- The Fifth Plenary Session of the Kuomintang By J. B. P. 400

Men and Events 402
Who's Who in China 403
From the Chinese Press 405
New Books of Interest in the Far East 406
What the Ships Carry between America and China v

COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTISING IN CHINA SHOULD BE ADDRESSED TO THE CHINA WEEKLY REVIEW AT 4 AVENUE EDWARD VII, SHANGHAI, CHINA. TELEPHONE CENTRAL 4741. CABLE ADDRESS "REVIEWING SHANGHAI."

AMERICAN OFFICE
WORLD WIDE NEWS ASSOCIATION
11 West 42nd Street New York City

Telephone: Longacre 4500 Cable Ad: Scholzem, N. Y.
PACIFIC COAST OFFICES (World Wide News Association)
William C. Lyon, L. C. Smith Bldg., Seattle

Orders for advertisements and subscriptions in the United States may be placed throught the above offices.

WASHINGTON BUREAU

J. J. Underwood—Correspondent
Colorado Building, Washington, D.C.

IS THE TANAKA MINISTRY PLOTTING FOR WAR ?

IT IS VERY DIFFICULT to understand the present activities of General-Baron Tanaka, the present Japanese Premier, in respect to Manchuria unless on a basis that he is deliberately plotting with the idea of precipitating a war in the Far East. Everything points in that direction for while the Tokyo Foreign office talks about "respecting China's territorial integrity," Baron Tanaka and the military clique in Japan are following an entirely different course in Manchuria. Several weeks ago we had the reports from Mukden that the Japanese Consul-General there had warned Gen. Chang Hsueh-liang against permitting the Three Eastern Provinces joining the Nationalist Government. The Tokyo Foreign Office promptly denied this report, but later on Baron Tanaka admitted it but stated that the Japanese Consul-General in Mukden had only "advised" General Chang. Then Tanaka announced that he was sending Baron Gonsuke Hayashi, former Japanese Ambassador to London, and Major-General Y. Sato of the General Staff to Mukden for the purpose of attending the funeral of Marshal Chang Tso-ling, who died as the result of a bombing outrage perpetrated by the Japanese military authorities in Mukden several weeks ago. Baron Hayashi and General Sato apparently attended the funeral, but shortly afterwards they had a session with Gen. Chang Hsueh-liang and other members of the Fengtien party in the course of which they definitely delivered an ultimatum to Gen. Chang warning him against joining the Nationalist Government. According to a *Reuter* report of the incident which appeared in the Shanghai newspapers on Monday, August 13, Baron Hayashi definitely warned the authorities of the Three Eastern Provinces against a union with the Nationalist Government, declaring that such a move would jeopardize Japan's special interests, privileges and acquired rights in Manchuria; that Japan wants Manchuria to adopt a waiting policy for the present and should Gen. Chang Hsueh-liang disdain Japan's wishes and presumptiously hoist the Nationalist flag that Japan has decided to act on her own initiative with a free hand. Hayashi then expressed the hope that Gen. Chang would act in accordance with Japan's wishes and not be influenced by any opposition which might be raised by the Chinese people in Manchuria and that should such opposition develop that Gen. Chang should suppress it with military force and that Japan stood ready to assist him in this work.

THE REPORT by *Reuter's* correspondent stated that following this declaration by Baron Hayashi Gen. Chang Hsueh-liang replied to the effect that he could not receive Hayashi's words

in silence especially the part that referred to him personally and that "being a Chinese he thought as a Chinese, hence wished to see China united by the conclusion of peace between Manchuria and the Nationalist Government in order to permit peaceful economic development." He also stated that while he was aware that the Nationalist Government had not yet consolidated its position, he did believe it was becoming effective, hence he had no other course than to follow the will of the Chinese people. He also expressed the hope that Japan would not throw all caution to the winds and risk international complications. At this point Baron Hayashi interrupted and declared that Japan intended to block the reconciliation of Manchuria with the rest of China even though Japan was forced to interfere in China's internal affairs. He declared, "Baron Tanaka, our Premier, has made his decision and he is now awaiting the decision of Gen. Chang Hsueh-liang." Gen. Chang is reported to have replied to this by repeating his former sta'ement that the "will of the Chinese people must be my will" but at this point Major General Sato, the Japanese military officer and right-hand man of Tanaka, interrupted and closed the discussion by threatening serious complications in the event Gen. Chang Hsueh-liang disregarded Baron Tanaka's orders and insisted upon a union with Nationalist China.

THERE HAS BEEN no official report on the outcome of these untempered threats of Japanese officials which Baron Tanaka sent to Mukden, but Tanaka has been doing considerable talking in Tokyo on the same question, one of the reports by the semi-official *Toho* news service stating that Japan opposed the union of Manchuria and the rest of China because of the "outrageous type of government" presented by the Chinese Nationalists at Nanking. It is therefore difficult to understand what General-Baron Tanaka and the Japanese military clique are planning unless it is a Far Eastern war, hoping in this way to be able to seize China's Three Eastern Provinces of Kirin, Holungkiang and Shengking, a territory about as large as three or four American states. It is most difficult to imagine the mentality of a government at this stage of world opinion plotting such an international crime,for it would be no less than that, since the seizure of Manchuria by Japan would be certain to precipitate a war with China and then about everybody else would be dragged into it, including Russia and the United States, and possibly most of Europe. And all of this is being done while Mr. Kellogg, the American Secretary of State, is propagating his "outlawry of war" treaties and people in America and Europe are talking about disarmament. The only possible explanation of the situation is that the Japanese military clique being pressed by the rising tide of nationalism in China, proletarianism in Russia, and liberalism in Japan, is determined to precipitate an international war in the hope of saving its own position or if not, going down in the grand collapse of the present system of cirilization that would be almost certain to follow another war of the character of the last world struggle.

TRYING TO LIFT CHINA OUT OF THE MUD!

THERE IS NOW in session in Nanking a National Communications Conference, the general purpose of which is to improve means of transportation and communication in China. Mr. Li Lieh-chun, speaking on behalf of the Central Party Headquarters, at the opening session of the conference on August 10 declared that while this is the "period of electricity" in the rest of the world, China is still depending upon wheel-barrows, rickshas, boats and other vehicles, most of which depend for their force upon man-power. In other words, while America, Europe and Japan have gone ahead and adapted electricity and machinery to the uses of mankind, China is still permitting men and women to do the work of horses and oxen. It is only necessary to stroll along the Shanghai Bund to observe the truth of this statement; there one will observe men dragging heavy loads through the streets or propelling them in boats along the Whangpoo and doing it for a daily wage that is scarcely sufficient to buy a bowl of rice. And this in Shanghai where development is a half century ahead of interior China! The present Ministry of Communications would take steps to improve this situation and has called a national communications conference wherein are being considered the questions of building more railroads and motor roads, telegraph lines, wireless stations and improving those already in existence. The conference was called by Mr. Wang Peh-chun, Minister of Communications and there are some 120 delegates attending the meeting, most of them being representatives of the various provinces, government railway lines and technical experts invited to participate in the deliberations. In an address at the opening of the conference the Minister of Communications stated that the chief purpose was to improve present facilities of commnnication and correct abuses which have been responsible for the breakdown of the railways and telegraphs. Second, it is planned to complete the Canton-Hankow Railway, the Shanghai-Hangchow--Ningpo Railway and extend the Lung-Hai line into Shensi and Kansu. Thirdly they would develop a unified system of trunk railway lines, improve and develop national highways, improve transportation facilities on the Yangtsze and expand and encourage inter-oceanic navigation. Specifically he recommended the centralization of control of communications, institution of a modern efficient system of auditing and accounting and arrange some system to prevent interference with the means of communications by the military and provincial authorities. Finally he urged the elimination of special transportation taxes which has had the effect of placing such a burden on the movement of merchandise that business has practically been unable to function.

CHINESE MERCHANTS GO TO NANKING

A DELEGATION of some 60 of the leading Chinese merchats in Shanghai went to Nanking last week and presented petitions signed by business men interested in about a dozen different lines of commercial activity asking for the Government's assistance in improving business conditions in the country. The merchants demanded the early promulgation of a national constitution,the restoration of communications both rail and telegraph, tariff autonomy, unification of finance in accordance with the decisions of the recent economic conference in Shanghai, the disbandment of troops, the standardization of taxation, and governmental assistance in the settlement of disputes between capital and labor. The delegation was headed by Messrs. Yu Ya-ching and S. U. Zau, both of whom have been active in the Chinese General Chamber of Commerce, Chinese Ratepayers Association and other organizations for a number of years. According to reports which have appeared in the Chinese newspapers the merchants were

favorably received and much attention paid to their demands. They were received by Mr. Li Lieh-chun on behalf of the Central Executive Committee and Dr. H. H. Kung, Minister of Commerce, Industry and Labor, both of whom promised to do everything possible to help the merchants in their problems. A few weeks ago we referred in these columns of *The Review* to the "convention era" which seems to be dawning in China, otherwise the tendency among leaders in various lines to hold national conferences for the consideration of plans for the reconstruction of China. The visit of the Shanghai merchants to Nanking is an encouraging step in the same direction, for little good may be accomplished by a national conference unless something is done to bring the proposals to the attention of the Government. The fact that the merchants, bankers and professional men are now beginning to take an interest in the Government is one of the most encouraging signs of the day. It rests largely with them whether the present revolution is to be a success, for if the merchants and bankers and professional men—the great middle class in China—simply sit back and let the other fellow do the governing, the political situation in China is likely to rapidly degenerate back to the situation which has prevailed since the first revolution in 1911 when a few military men with their mercenary armies ran the politics and economics of the country on the style of a checker game. The merchants and bankers may not know much about government but they can exercise a tremendous influence upon the government.

PROBLEM OF FREE PRESS AND NEWS SERVICE

THE VISIT of Dr. Walter Williams of the School of Journalism of the University of Missouri to China has resulted in considerable discussion in the Chinese newspapers regarding the problem of a free press and news service in China—a problem of reconstruction just as important as that of disbandment of troops or unification of finance. In addresses before the Chinese commercial organizations, newspaper associations and educational bodies Dr. Williams made a plea for a clean, free press and an honest dissemination of news both within China and between China and other countries. He told the Chinese business men that in view of their extensive plans for the reconstruction of China following the recent revolutionary movement that the matter of a clean and free press was something of very great importance and should receive consideration. The *China Critic* in a discussion of Dr. Williams' remarks had the following to say regarding present newspaper conditions in China,

> "The press in China may be divided into Chinese and foreign. The former is supine in policy, voicing the views of those in power; and the latter is nothing but propaganda. Both have nothing to offer either for the improvement of the municipalities in which they are published or for the reconstruction of China. The attitude of the foreign press toward any issue between China and the countries whose interests they serve is invariably characterised by irrational criticism and hostility. The Chinese press, to quote the annual report of the Shanghai Municipal Council, 'seldom publishes constructive editorials which may help readers to form an enlightened opinion on national or foreign affairs. In general their policy seems to be to endeavor to influence people by adding suggestive comments to reports of incidents of national importance.'
>
> "What the Chinese press needs, it seems to us, is freedom of speech and what the foreign press needs is more discretion and less bias. The one rests with the authorities and the other with the editors themselves. As the foreign newspapers, in most instances, have discredited themselves by their hostile policy toward China, we shall not dwell upon them at length. Our real interest lies in the Chinese press. Its faults are more of omission than of commission, and we believe that the moment freedom of speech is enjoyed the Chinese press may be relied on for the crystallization of public opinion as well as for its direction."

THE comment in the *China Critic* then states that while newspapers in the United States guarantee the goods and services advertised in their columns, the newspapers in China print "fraudulent and salacious advertising" and since "readers in the interior of the country unfortunately have implicit faith in the printed word, these questionable advertisers play upon their psychology." This advertising in the opinion of the writer of the article in the *Critic* should be discontinued. Then continuing he recommends a reduction in the space devoted to "society scandals and criminal stories which cater to a morbid taste of the crowd and even cultivate such a taste." Finally he suggests better pay for members of the editorial staffs, declaring that "there was a time when the editors looked to the papers not for their living but for a chance to make a living from other sources." This evil is disappearing but the general intelligence level of most of the editors "is indeed very low" hence in order to attract better educated and more responsible editors and writers the papers should pay fair compensation and not "subsistence wages." This statement by a Chinese writer in a Chinese edited and owned magazine tells a pretty accurate story of the sad state of the press in China and as Dr. Williams pointed out, this is a vital element of reconstruction which should receive attention. Truly it would be difficult to find a country where the newspapers and press services are in a more unfortunate situation. The large foreign ports are largely dominated by foreign newspapers, which as the Chinese writer states in the preceding paragraph, "are nothing but propaganda." We might add that these foreign sheets, are edited and controlled largely by sore-headed die-hards who daily exhaust the stock of adjectives in their vocabulary in criticising the Chinese government and people for encroaching upon "foreign rights" and for not being satisfied with a China occupying a semi-colonial status from the standpoint of the "enlightened" nations of Europe and Japan.

ASIDE from three or four newspapers in Shanghai and possibly one or two in Tientsin there are very few newspapers in the Chinese language owned and edited by Chinese which have any particular standing as newspapers, that is newspapers depending upon advertising and subscriptions for their upkeep. Most of the papers are the organs of officials or cliques which use them for ulterior purposes. There is nothing peculiar about this situation for it is a state through which the press of every country has passed in its history. The unfortunate part of the situation is that China is emerging into a modern world but is handicapped by a press which generally occupies a position of mediaevalism. The fault for this state of affairs does not rest entirely with the Chinese for there are many high-minded Chinese newspapermen who realize their sad state but have been helpless to make improvements owing to the mis-government through which the country has passed since the revolution of 1911. For example three years ago Gen. Chang Chung-chang, the bandit-tupan of Shantung Province executed three newspaper editors because they printed criticism of his administration This left only one editor of standing in the province and he immediately sold his paper to a foreigner—for obvious reasons! Then in addition to his troubles with his own officials the Chinese editor

has had to put up with the worst forms of competion by foreign propaganda organs. The Japanese, for example, publish several newspapers in China in the Chinese language, which to all outward appearances are Chinese newspapers—with the important exception that they take advantage of the protection afforded by extraterritoriality to conduct all kinds of underhanded propaganda campaigns against Chinese officials whom they do not like; witness the recent campaign against Dr. C. T. Wang because of his action in terminating the old unilateral Sino-Japanese Commercial Treaty originally negotiated in 1866 but which the Japanese are still trying to put over on the Nationalist Government in this modern day of 1928.

THEN there is the problem of a Chinese news service, a matter which has been discussed in these columns previously. All of the news from the outside world which is brought to China comes through foreign news agencies and to make matters worse the same applies to much of the news distributed within China. The semi-official Japanese *Toho* news service now practically dominates the distribution of news within China which appears in the foreign and Chinese press and as frequently pointed out in these columns is used for all kinds of ulterior purposes connected with Japanese diplomatic policy toward China Any Chinese official who dares to publicly oppose Japanese strong-arm policy in Shantung or Manchuria is immediately discredited in the *Toho* reports which are spread all over the country. No wonder the Chinese have so much trouble in unifying the political thought of their country on the matters of domestic and foreign policy. How the situation is to be remedied is difficult to say. Obviously it is a matter for the Chinese themselves to solve and as Dr. Williams declared, it constitutes a major problem of reconstruction. The abolition or modification of extra-territoriality will help some for it will enable the Chinese authoritie to muzzle the foreign propagandists, but the problem is greater than that. One way out would seem to be through the establishment of schools of journalism which would train up a class of newspaper editors and writers with some modern conception of the ideas and ideals of the profession which prevail in other lands!

THE COUNCIL AND CHAPEI HEALTH DEPARTMENT

THE FIRST serious attempt on the part of the International Settlement and the Chinese Municipality of Greater Shanghai to work out a system of cooperation on the matter of public health, has apparently failed and the fault seems to rest with the Shanghai Municipal Council if one would believe reports which have appeared in the Chinese Press. On April 13, Dr. Hu Hou-ki, Chinese Commissioner of Health and Mr. Paul H. Hsu, Chief of the Department of Agriculture, Labor and Commerce of the Chinese Municipality, wrote a letter to Dr. C. Noel Davis, Commissioner of Public Health in the International Settlement, proposing that a cooperative scheme be worked out for the inspection and licensing of bakeries, confectioneries and canneries in the Chinese and foreign settlement. According to the plan suggested by the Chinese authorities the delivery coolies employed by registered shops and food factories were to be provided with identification cards. Then when unregistered shops or factories on either side of the line were found making deliveries of foods they could be arrested and handed over to the proper authorities for prosecution. Then in addition to this the health authorities in both municipalities were to exchange lists of licensed shops and facilities were to be made for mutual inspection. The health authorities of the Settlement agreed to this proposal and there was an exchange of lists of inspected shops. Then later on, according to the correspondence, the health department of the International Settlement sent inspectors to shops and factories in the Chinese area and made investigations. However, the scheme could not be made effective without the approval of the Shanghai Municipal Council to which body the matter had been referred by Dr. C. Noel Davis, the foreign Commissioner of Health.

ACCORDING to the correspondence the matter was referred to the Shanghai Municipal Council early last April, but the Council took no action until June 18 last when a letter signed by Mr. J. M. McKee, acting secretary was sent to Dr. Hu Hou-ki, stating that the question of cooperation had been considered by the Settlement authorities stating that "while the Council is in favor of such reciprocal action in principle, it is of opinion that the time is hardly ripe for the introduction of a definite scheme. Efficient inspection requires a large staff, such as that already possessed by the Municipal Health Department, and pending the training of an adequate staff as proposed by the authorities of the Municipality of Greater Shanghai, it is felt that the necessary inspection could not be carried out satisfactorily." The Council's letter stated further that "certain factories outside the Settlement, which were inspected recently, were found to be in close proximity to deposits of ordure and otherwise badly situated. Some of these factories would, in fact, require almost complete reconstruction to conform to the Council's standards." Therefore, in view of this situation the Council felt that the "question of reciprocity should be deferred." The most recent expression from the Council was a letter written on August 7 by Mr. S. Fessenden, Chairman of the Council which indicated that there were further reasons for the Council's refusal to enter into a reciprocal licensing scheme for Mr. Fessenden's letter declared that he "could not assume the responsibility of recommending to the Council an unqualified acceptance of the Chinese proposal for reciprocal licensing in view of the fact that the authorities of the Chinese Municipality of Greater Shanghai have apparently not considered it advisable or expedient to officially inform the Settlement authorities in detail as to the nature, scope, efficiency, practical working and general organization of the Public Health Department of the Municipality of Greater Shanghai." Mr. Fessenden's letter further stated that the Shanghai Muncipal Council, "over a long period of years at great expense, had built up a highly efficient public health department with an adequate, highly trained and experienced staff," hence in view of the fact that the Chinese public health department "was little more than skeleton in form" that any system of reciprocal licensing "would incur the risk of impairing the efficiency of our own department of public health." Mr. Fessenden's letter then ends with what the Chinese would term "sweet words," that is words expressing the "desire of the Council to cooperate in every possible way" but actually declining to cooperate.

WE have no way of knowing what information the Shanghai Muncipal Council has in its possession regarding the organization of the health department in the Chinese city. It is a new department, of course, having been installed only a little more than a year ago when the Nationalists came into control of the

Shanghai area. The head of the Chinese department is Dr. Hu Hou-ki, a graduate of Johns Hopkins MedicalCollege and of the Rockefeller institution in Peiping. Dr. Hu has had extensive experience in public health work in the United States in addition to his technical education. The annual report of the Shanghai Municipal Council itself testifies to the efficiency of the smallpox and cholera vaccination campaigns which have been conducted in the Chinese city during the past year. Dr Hu has developed a considerable staff and states that within another year three more trained men will be added to his department. It is true of course that the public health department in the Chinese city does not compare with the department of health in the Settlement, but it might be of interest to the venerable foreign members of the Shanghai Municipal Council to know that certain members of the International Health Board have not been altogether flattering in their reports regarding public health and sanitary conditions in the foreign settlement. A prominent British newspaper correspondent who investigated conditions in the Settlement a year ago also reported to his paper that while the British Empire might be proud to have its flag flying over the buildings on the Shanghai Bund that the British people would not be so proud if they could examine into some of the alleyways and streets a few hundred yards from the buildings on the Bund. In addition to this we remember a discussion at one of the meetings of the Shanghai Rotary Club sometime ago in which charges were made regarding health conditions in the Settlement which were not altogether complimentary to the alleged up-to-date-ness of the Settlement. In view of this situation we believe that there will be sincere regret on the part of both foreigners and Chinese that this first attempt at cooperation on the part of the Chinese and foreign authorities has broken down. Of course, the Chinese have not been able within the period of a little more than one year to develop a health department equal to that possessed by the Settlement; but the Chinese authorities are trying, nevertheless, to develop such a department and the Settlement authorities should cooperate with them and encourage them in every way possible. Certainly it is not good policy at the present time for the Settlement authorities to adopt a high and mighty attitude of superiority in respect to the Chinese, for it is contrary to foreign policy at this time, particularly the foreign policy of the British Government which is interested primarily in the welfare of the International Settlement.

THE AMERICAN CHAMBER AND JAPANESE PROPAGANDA

ELSEWHERE in this issue of *The Review* appears a reference to a pamphlet issued by the Osaka (Japan) Chamber of Commerce and Industry dealing with the Tsinan incident, which was circulated last week to members of the American commercial community in Shanghai by the American Chamber of Commerce of Shanghai. The pamphlet was strongly anti-Chinese in tone and according to the text was similar to the report on the Tsinan incident which was sent to the League of Nations by the Japanese Government. The pamphlet was Japanese propaganda pure and simple and its issuance by the Japanese Government or Osaka Chamber of Commerce and Industry was entirely legitimate. But a large number of influential American merchants and citizens in Shanghai are wondering why it should be circulated by the American Chamber of Commerce in Shanghai and accompanied by a letter signed by Mr. Warren Manley, secretary of the Chamber, said letter stating that it was being mailed out by the American Chamber "believing that you will be interested in reading same." By sending out the Japanese pamphlet accompanied by an official letter from the American Chamber, the Chamber thereby puts itself in a position of endorsing the Japanese point of view in respect to the Tsinan incident and this at a time when China and Japan are in a critical situation over the Tsinan incident and other Sino-Japanese questions. Obviously, the American Chamber of Commerce in Shanghai, being located on Chinese soil and being composed of American merchants who depend for their livlihood upon their relations with the Chinese people, has committed a serious blunder in circulating (and by implication) endorsing a piece of propaganda issued by the Japanese. Had the Chamber at the same time circulated a similar pamphlet issued by the Chinese Chamber of Commerce giving the Chinese point of view, the action might have been justified on the grounds that the Chamber was attempting to supply information *on both sides of the Tsinan incident*. But the action of the American Chamber of Commerce *in circulating the Japanese propaganda exclusively*, is difficult to justify on any ground except that of partiality toward the Japanese side of the question, which if true puts the Chamber in a curious situation from the standpoint of its relations with the Chinese, particularly in view of the recent efforts of a large number of members of the Chamber to improve their relations with the Chinese through the creation of a "Chinese Relations Committee." There is a possibility of course that the pamphlet was issued without the knowledge of the committee of the Chamber or in other words that it was "put over" by some one intersted in having the American Chamber circulate Japanese propaganda. If this was the case then the officers and committee should take early steps to disavow the action before opportunity is given for the stirring up of further feeling amongst the Chinese inimical to the trade and welfare of American merchants in Shanghai!

Japan Would Make a Loan To Mukden Administration

A *Reuter* telegram from Tokyo dated August 14 says it is understood that the Finance Department through the South Manchuria Railway is considering issuing a loan of about 60,000,000 yen in the home market after the situation in Manchuria has been stabilised for the purpose of advancing it to the Mukden Government for industrial and railway development.

Stephen Porter Pays High Tribute to Dr. Alfred S. K. Sze

Stephen G. Porter, chairman of the Committee on Foreign Relations, made a statement to the press in Washington, D. C., recently, urging the United States to formally invite the Chinese people to appoint agents for the purpose of drafting new treaties.

Mr. Porter further said: "China is fortunate in having in the United States a representative in the person of Dr. Alfred S. K. Sze, who rendered such conspicuous service to his country as the head of the Chinese delegation to the Washington Conference of 1921-22, and, who, since that time has with extraordinary ability, been able to retain the confidence and support ot only of the authorities at Peiping, but of the political arties of the south of China."

Marshal Feng Yu-hsiang and His 6 A. M. Interviews

MARSHAL FENG YU-HSIANG, the "Christian General" is in Nanking on the first trip in his life to the Lower Yangtsze section of China. He was invited to Nanking by the Nationalist Government in order that the officials of the Government and the Kuomintang might confer with him in connection with the Fifth Plenary Session of the Central Executive Committee. Marshal Feng is not a member of the Central Executive Committee and only attended one or two of the meetings upon invitation. He is living in a small foreign-stye house located in the compound of a hospital near the old Drum Tower in Nanking. In an interview with foreign newspaper correspondents in Nanking early this week, Marshal Feng stated that he intended to pay a visit to Shanghai and Hangchow before returning to his headquarters in Honan Province.

Marshal Feng Yu-hsiang, Who Is Now Visiting in Nanking and Who Is Planning Shortly To Take His First Trip to Shanghai and Hangchow. Marshal Feng Is a Believer in 'Jeffersonian Simplicity' and Practices What He Preaches By Wearing All Chinese-Made Clothing and by Living Frugally and Economically and Enforcing Similar Regulations Upon His Subordinates. He is an Advocate of Economy in National Governmental Affairs and Although a Recent Disciple of Sun Yat-senism, Displays all of the Enthusiasm of the Most Ardent Kuomintangist.

Marshal Feng Yu-hsiang arrived in Nanking on August 1 and was accompanied by a bodyguard of approximately 100 soldiers, some of whom carry strapped across their backs those business-looking beheading-knives which always give a thrill to foreign tourists. A squad of these soldiers stand at the gateway through which visitors must pass on their way to see the Marshal. Inside the gateway is a temporary shelter constructed of straw-matting under which visitors are asked to wait their turn. The only time Marshal Feng Yu-hsiang sees visitors is between 5 and 7 o'clock in the morning, which may explain why he is unpopular with certain foreign newspaper writers whose hours do not coincide with Feng's. At his headquarters in Honan it is said that the only time newspapermen can see him is at 5 o'clock in the morning. Feng is said to sleep but four hours at night to which he adds two more in the middle of the day. The rest of the time he spends at work and he insists that all members of his staff follow his example, No smoking is allowed within the compound about Feng's headquarters and strict sanitary regulations are enforced.

Marshal Feng is supposed to have come to Nanking for three chief purposes: Consideration of plans for disbandment of troops; consideration of plans for national defense; reconstruction. The only subject upon which he would talk to foreign newspaper correspondents this week was that of reconstruction. He always had two stock replies to questions pertaining to domestic and international political matters such as the general treaty situation or the Japanese crisis, or the work of the Central Executive Committee. In answer to inquiries for his opinion on the present Sino-Japanese crisis or the recent Sino-American and Sino-British treaties, he always replied, "You will have to find out about that from the Ministry of Foreign Affairs," and in answer to inquiries about the work of the Central Executive Committee, he said that was a matter to be discussed with General Chiang Kai-shek and the other members of the Committee. But when one of the foreign newspapermen asked him about the problem of reconstruction he immediately took an interest in the interview and came back with the question:

"What is the second principle in Dr. Sun Yat-sen's program?"

When the foreign visitors appeared to be somewhat hazy and indefinite in their answers, Feng supplied the answer and then launched into an exposition of his views on the subject of "The People's Livelihood," a matter of apparent great interest to him as attested by the enthusiasm with which he discussed the subject. In the first place he explained the vast difference which prevails in conditions affecting the Chinese people in the Lower Yangtsze Valley and condition prevailing in the interior, especially in Honan, Hunan, Shantung, western Chihli, Shensi and Kansu. "The people of Kiangsu Province, owing to their better means of communication and marketing facilities are immensely wealthy as compared with the poverty-stricken people of interior China, especially Honan, Shensi and Kansu," he declared and then explained that he had recommended to the Government the expenditure of vast sums of money in development projects in the Northwest as a means of improving the status of the people and inducing the Chinese to emigrate from the densely populated eastern provinces to the sparsely populated interior areas. "We must have railroads, and wagon roads and irrigation. We must have improved agriculture.

THE FIFTH PLENARY SESSION MEETS AT NANKING

The Above is a Group Photograph of the Members of the Central Executive Committee of the Kuomintang, Who Gathered at the Nationalist Capital Recently to Discuss the Vital Questions Now Confronting the Country

We must have better housing. There are hundreds of thousands of people in the Northwest who have no place to live except in the meanest mud hovels. The Government must consider this problem and there should be an immediate appropriation of $50,000,000 for this purpose, part of which should be in the form of a direct appropriation and the remainder through the sale of domestic bonds which would enable the wealthier section of the people to contribute toward their less fortunate brothers."

As to the subject of housing, Marshal Feng explained that he had already constructed 1,800 so-called model houses which were being rented to the people in proportion to their ability to pay, the charge being on a basis of about 10 percent of the cost of the house. In the cases of families which are in a destitute condition, he stated that they are being permitted to live in the model houses without cost until they are in a condition to pay. "I hope to be able to construct at least 100,000 model houses in Honan Province alone within the coming year" he declared, and then explained his belief that there was no danger of pauperizing the people through too much governmental support. "The real masters of China are the Chinese people. The officials of China are the servants of the people. Conditions are now the reverse of what they should be for our masters, the people, are poverty stricken and our officials, who should be the servants of the people, are living in luxury."

Just where Marshal Feng Yu-hsiang expects to obtain the money for the development projects which he has in mind is not known for according to his estimates at least $200,000,000 should be appropriated for projects which he believes to be immediately necessary for the reconstruction of the country. He said that $60,000,000 should be appropriated for the establishment of factories such as weaving and spinning mills and tanneries in the interior of the country so that it would not be necessary for China to send her products abroad and then purchase back the finished articles.

On the subject of more railways he said that China should have 100,000 miles of new lines, but that work should be immediately started on the completion of the Canton-Hankow line, and the extension of the Lung-Hai line. He was particulary enthusiastic about the possibilities of the Lung-Hai line which extends some 600 miles westward from the new port of Haichow on the Yellow Sea through northern Kiangsu and Honan to the border of Shensi. He declared that the Lung-Hai Railway should be extended westward through Shensi, Kansu and Chinese Turkestan with the object of ultimately connecting with the railways of Asia Minor. "If we can complete this railway, I will show the people of Shanghai how to travel to Europe by a much shorter route than over the Trans-Siberian Railway," he declared, and added that there was no intention of connecting the Lung-Hai line with the railway system of European Russia.

He then took up the subject of agricultural reform and urged the establishment of schools and farmers' banks which could lend money to the farmers at low rates of interest to enable them to purchase modern agricultural implements. In the schools he would teach modern farming methods adapted to conditions in the particular districts. As to the question of irrigation, he urged the utilization of disbanded troops in the construction of irrigation ditches, construction of reservoirs and excavation of wells in the arid regions of Shensi, Honan, Kansu, and other sections of China, the details being too extensive for elaboration in these columns.

There are some of course who argue that Marshal Feng Yu-hsiang is not sincere, that he is making these declarations for political effect and so on. It is of course impossible to analyze any man's motives, but the fact stands that he is practicing what he preaches. He does use his soldiers on constructive works, he is disbanding his surplus troops and putting them to work; he has already constructed many miles of modern roads; and he is building model houses for the people of Honan who have been impoverished by the civil wars of the past dozen years. He enforces the strictest rules of economy among his subordinates and as one of his secretaries remarked, "has taken all the joy out of life for the wealthy people by forbidding gambling and banquets and worse has abolished the institution of the sing-song girl from the territory under his control." A few days after Marshal Feng Yu-hsiang arrived in Nanking he went around and called on the various Ministers of the Nationalist Government and instead of making his calls in a motorcar, he rode on

a truck alongside the chauffer while on the back of the truck were two or three military guards carrying loaded rifles.

Although Feng has no actual power in Nanking, his influence is very much in evidence. A few days before Feng arrived in Nanking the Mayor of the city issued an order closing all the sing-song houses and forbidding all gambling. Feng, of course, had nothing to do with the issuance of the order, but the officials of the city decided upon a moral crusade a short time before the Marshal's arrival. One of the old established institutions of Nanking is the "flower-boat" a sort of gaudily decorated floating tea-house which is propelled along the Nanking canal. There are hundreds of these "flower-boats" and in ordinary times the canal is filled with them, each boat containing "tired" businessmen and officials who find relaxation in sipping tea and samshu while pretty little sing-song girls warble to the tune of one-string fiddles operated by bored musicians who apparently take no interest in the scenes of love-making about them. Then there are mah-jongg games galore with the click of the tiles mingling with the screeches of the one-string fiddles and the high falsettos of the singers. This was a long-established Nanking institution, something like the heroic granite statues of the elephants and warriors which guard the way to the ancient Ming tombs. The coming of the Nationalist Government to Nanking brought joy to the proprietors of the tea-houses and the other unmentionable places of that section of the city, for young officials flocked to Nanking and the place began to take on something of the old atmosphere of Peiping or at least that large section of Peiping "outside Chienmen" which the tourists used to visit but which the missionaries avoided. But in the place of joy unrestrained, Nanking is now in the dark and gloomy dumps, for the lid has been most effectively clamped down and the Nanking Chamber of Commerce is sending daily petitions to the Government asking for only the slightest relaxation of the blue-laws, otherwise every body is sure to go broke!

This campaign of economy and morality also extends to the Government offices where secretaries and clerks are on the job at 7 o'clock in the morning and remain on the job until late in the afternoon. In one of the Ministries, the day starts at 6 in the morning and everybody has to be on the job for a drill in calesthenics. This is followed by a half-hour quiz in the "San-Min Chu-i" or Sun-Yat-sen-ism, following which there is a half hour for breakfast and then to work and still more work until late in the afternoon when there is a further half-hour for patriotic study and discussion. Then everybody must occasionally go out to Purple Mountain to inspect the progress being made on the Sun Yat-sen Memorial, a truly remarkable example of Chinese architecture which will shortly be completed and take its place among the world's outstanding memorial structures. In other words China is now being initiated into a new type of government, the true significance of which is only beginning to be realized. Marshal Feng Yu-hsiang is of course not responsible for all of it, but he is displaying all of the enthusiasm of a new convert and if there is any Kuomintang disciple from Canton who can outdo the Christian General in devotion and practical application of Sun-Yat-sen-ism, he would be difficult to find. A few days after Feng arrived in Nanking he was given a reception at the Central Party Headquarters and made a speech. He said that the various reconstruction schemes now being formulated by the Government would require a lot of money, hence it was the duty of the Government officials to set an example in economy. It is up to the Party executives and members to set an example and put the country back on its feet economically and to do so without expecting rewards, he declared.

"The idea of a Party Government," said General Feng, "is to bring benefits to the people and not to work for one's own interests. If we all work for our own interests, who will work for the people, who are still suffering from the effects of former selfish officialdom? I remember seeing, in the Northwest, many people eat grass to satisfy their hunger, and here we are having such a sumptuous meal."

"Moreover," continued General Feng, "as leaders we must not be afraid of criticism and hardships. Most of us do not mind hardships because we want to satisfy the people; but only a few are not afraid of criticism. We must be more frank with each other and place responsibility and blame where it properly belongs without fearing the consequences.

"We must also be fair in making rewards and meting out punishments. Our tendency is to reward the worthy and let the guilty go unpunished. Lately I have only heard of rewards being made by the Government but no punishments. Does it mean that every one of us is so perfect?"

General Feng pointed out that the Kuomintang was the Party of the people and it was the duty of Party leaders to arouse the people's interest and inspire confidence in the Party.

The Press in China

(From the "Literary Digest")

THERE ARE 1,900 WALLED CITIES in China, thirty-three of which have over 1,000,000 population, so that metropolitan journalism in that country does not need railways for its success. This puts to naught our Western notion that in a country like China, where you have less than 7,000 miles of railway in 4,125,000 square miles of territory, "the field for expansion is quite limited." Such a view, in fact, errs in common with many other of our ideas of China, so Prof. Vernon Nash of Peking University shows in *Editor and Publisher* (New York). "In each of the larger cities of China to-day there are," he says, "at least two or three newspapers that are making money honestly." Then he adds, "I think most of them are making money." This is what we find:

"The Chinese have a parallel to our standard-size newspapers, and to our tabloid, in what they call the big and little newspapers. The big newspapers are published usually in the morning and the little papers in the evening. The big papers are solid and conservative; the little papers are light, frivolous, and sensational. There are marked imitations of British and American journalism. The *Ch'en Pao*, or *Morning Post*, of Peking is a most interesting conscious imitation of *The Morning Post* to London.

"Advertising linage is mounting month by month in China. The largest class that I had each of my three years in Peking teaching journalism, was in principles of advertising, and most of the students came to me from the Department of Business Administration, Chinese boys and girls who were looking forward to going into business and who wanted to learn the principles of advertising. We can assume that within a very few years, the revenue from advertising will make it possible for any publisher who wants to be independent to be so.

"Judged by quality this journalism leaves very much indeed to be desired. It has all the evils of the French press raised to the 'nth' degree; with scarcely an exception, these Chinese papers owned by these men are simply subsidized propaganda sheets. Despite this fact, and Chinese knowledge of it, the papers are read and widely influence public opinion. With censorship on the part of those who hold power in various sections of the country and with perfect communication, rumors both spontaneous and inspired, rule the day. There never was a country, I believe, in which the words 'It is reported that' were so badly overworked. It is complex enough and baffling enough that even our foreign news agencies have had difficulty in keeping clear of it. Those of us who know the situation in China just automatically and almost unconsciously

(*Continued on Page 402*)

Great Britain and China Exchange Notes Settling Nanking Incident

The following is the text of the notes exchanged August 9, between the British and Chinese authorities settling the Nanking incident, which occurred March 24, 1927. The negotiations were carried on by Dr. C. T. Wang, Nationalist Foreign Minister, and Sir Sidney Barton, British Consul General at Shanghai, acting for the British Minister. In addition to the main Note, in which the Nationalist Government makes an apology, promises protection and compensation, there are subsidiary Notes in which Britain deplores the necessity for the firing done by the British warship "Emerald" and also promises to enter into negotiations in due course for the revision of the treaties.

COMMUNISTS ARE BLAMED FOR THE OUTBREAK

Nanking, August 9, 1928.

His Excellency,
SIR MILES W. LAMPSON, K. C. M. G., C. B., M. V. O.,
His Britannic Majest's Minister,
Peiping.

Sir,

With reference to the Nanking Incident which took place on the 24th March last year, I have the honor to inform Your Excellency that, animated by a desire to promote the most friendly feelings happily subsisting between the British and the Chinese peoples, the Nationalist Government are prepared to bring about an immediate settlement of the case along the lines already agreed upon as a result of recent discussions.

In the name of the Nationalist Government, I have the honor to convey in the sincerest manner to His Majesty's Government in Great Britain their profound regret at the indignities and injuries inflicted upon the official representatives of His Majesty's Government, the loss of property sustained by the British Consulate, and the personal injuries and material damage done to the British residents. Although it has been found, after investigation of the Incident that it was entirely instigated by the Communists prior to the establishment of the Nationalist Government at Nanking, the Nationalist Government nevertheless accept the responsibility therefor.

The Nationalist Government have in pursuance of their established policy, repeatedly issued orders to the Civil and Military Authorities for the continuous and effective protection of the lives and property of British residents in China. With extermination of the Communists and their evil influences which tended to impair the friendly relations between the Chinese and British peoples, the Nationalist Government feel confident that the task of protecting foreigners will henceforth be rendered easier; and the Nationalist Government undertake specifically that there will be no similar violence or agitation against British lives or legitimate interests.

In this connection, I have the pleasure to add that the troops of the particular division which took part in the unfortunate Incident, at the instigation of the Communists, have been disbanded. The Nationalist Government have in addition taken effective steps for the punishment of the soldiers and other persons implicated.

In accordance with the well accepted principles of International Law, the Nationalist Government undertake to make compensation in full for all personal injuries and material damage done to the British Consulate and to its officials and to British residents and their property at Nanking.

The Nationalist Government propose that for this purpose there be instituted a Sino-British joint Commission to verify the actual injuries and damage suffered by the British residents at the hands of the Chinese concerned, and to assess the amount of compensation due in each case.

I avail myself of this opportunity to express to Your Excellency the assurance of my high consideration.

WANG CHENG-TING.

BRITAIN ACCEPTS CHINA'S OFFER

British Legation, Peiping, 9th August, 1928.

His Excellency,
DR. WANG CHENG-TING,
Minister for Foreign Affairs,
Nanking.

Sir,

I have the honor to acknowledge the receipt of Your Excellency's Note of this day's date.

I have also taken note of the orders recently issued by the Nationalist Government regarding the punishment of those implicated and regarding the prevention of similar incidents in the future, and believing that prompt and full effect will be given to the intentions so expressed, I accept on behalf of His Majesty's Government in Great Britain Your Excellency's Note in settlement of the demands contained in the communication of 11th April 1927, addressed to the former Minister for Foreign Affairs.

I avail myself of this opportunity to express to Your Excellency the assurance of my high consideration.

For His Majest'ys Minister,
SIDNEY BARTON.

THE BOMBARDMENT

Nanking, August 9, 1928.

His Excellency
SIR MILES W. LAMPSON, K. C. M. G., C. B., M. V. O.,
His Britannic Majesty's Minister,
Peiping.

Sir,

Referring to the Notes exchanged this day on the subject of the Settlement of the questions arising out of the Nanking Incident of March 24th, 1927, I have the honor to invite Your Excellency's attention to the fact that on that date fire was opened upon Socony Hill, at Nanking, by the British war vessel "Emerald," then lying in port. In view of this fact, the Nationalist Government earnestly hope that His Majesty's Government in Great Britain will express regret at this action.

I avail myself of this opportunity to express to Your Excellency the assurance of my high consideration.

(Sgd.) WANG CHENG-TING.

British Legation, Peiping, 9th August, 1928

His Excellency,
DR. WANG CHENG-TING,
Minister for Foreign Affairs,
Nanking.

Sir,

I have the honor to acknowledge the receipt of Your Excellency's Note of today's date in which reference was made to the fact that on March 24th, 1927, the British war vessel, H. M. S. "Emerald", then lying in port, opened fire upon Socony Hill at Nanking, and in which the hope was expressed that His Majesty's Government in Great Britain would indicate their regret at this action.

In reply, I have to point out that the firing referred to was in fact a protecive barrage strictly confined to the immediate neighborhood of the foreign houses in which a number of British subjects had been driven to seek refuge for the assaults of an unrestrained soldiery: and not only did it provide the only conceivable means by which the lives of this party were saved from the danger that imminently threatened them, but it also made possible the evacuation of the other British residents at Nanking, who were in actual peril of their lives. His Majesty's Government in Great Britain therefore feel that the measures taken by H.M.S. "Emerald" were absolutely necessary for the protection of British life and property, however deeply they may deplore the fact that the circumstances at Nanking on the 24th March 1927 were such as to render necessary the adoption of these measures.

I avail myself of this opportunity to express to Your Excellency the assurance of my high consideration.

For His Majesty's Minister,
SIDNEY BARTON.

TREATY REVISION ASKED AND PROMISED

Nanking, August 9, 1928.

His Excellency,
SIR MILES W. LAMPSON K. C. M. G., C. B., M. V. O.,
His Britannic Majesty's Minister,
Peiping.

Sir,

Referring to the Notes exchanged this day on the subject of the settlement of the questions arising out of the Nanking Incident of March 24th, 1927, I have the honor to express the hope that a new epoch will begin in the diplomatic relations between China and Great Britain, and to suggest that further steps may be taken for the revision of the existing treaties and the readjustment of outstanding questions on the basis of equality and mutual respect for territorial sovereignty.

I avail myself of this opportunity to express to Your Excellency the assurance of my high consideration.

WANG CHENG-TING.

British Legation, Peiping, 9th August, 1928.

His Excellency,
Dr. Wang Cheng-ting,
Minister for Foreign Affairs,
Nanking.

Sir,

I have the honor to acknowledge the receipt of Your Excellency's Note of today's date in which you express the

(*Continued on page 388*)

Improving China's Communications

The following address was delivered at the opening Session of the National Communications Conference at Nanking August 10, by Wang Pei-chun, Minister of Communications. Of the 120 members present, about 80 were provincial representatives and leading Government officials in charge of the country's communications, the others being technical experts summoned to assist in the deliberations of the conference.

"Despite the fact that the history of modern communications in China extends over 50 years, our railways, telegraphs, postal system and navigation are still in a stage of infancy compared with other countries. We have, therefore, to take this opportunity to rehabilitate the deplorable situation not only to prevent our system of communications from sinking into a state of bankruptcy, but also to relieve the people from their terrible sufferings."

I put before you three proposals as a suggested basis for a plan of reform to be discussed. Briefly, they are:

Improve existing communications facilities and restore normal transportation.

Meet all pressing requirements such as repairing the railways, completing unfinished sections and centralize the wireless system.

Improve transportation facilities on the Yangtze and develop inter-oceanic navigation.

"It is very gratifying to see so many of the country's leading administrators assemble here on the first day of the National Communications Conference. We are also particularly fortunate in having the representatives of both the Party and the Government here to give us their admonitions.

Reconstruction Need

"The close of the military stage of our revolution has ushered in the period of political tutelage, and our great sacrifices may be said to have been adequately rewarded. But at the beginning of this new period, many measures are waiting to be carried out. Henceforth, it should be our unbroken effort to conserve our energy, to build up a new national structure, to make a thorough investigation of everything in order that a firm foundation may be established and that the Three People's Principles may be realized.

"From the point of reconstruction, communication facilities occupy a position of primal importance. Means of communication are comparable to the arteries of a human body. They affect the prosperity or decadence of a nation. Despite the fact that the history of modern communications in China extends over 50 years, our railways, telegraphs, the postal system and navigation are still in the stage of infancy compared with other countries. There are many reasons for this and it is undeniable that the negligence and wilful destruction of such facilities by various regimes in the past were largely responsible.

Minister Outlines Proposals

"After having carefully considered proposals for a fundamental reform, it set forth the aims and procedure of our undertaking.

"Our first step is to improve what facilities there are at our disposal, such as restoring normal transportation, exterminating existing corrupt practices, and improving the present general situation before planning for further expansion.

"Secondly, we will, within the shortest possible time, attend to all pressing requirements. This phase of our work includes, of course, the completion of the unfinished section of the Canton-Hankow railway, the repairs to and construction of the Shanghai-Hangchow-Ningpo railway, connecting the Chientang river with the Tsaowu river, the extension of the Lunghai railway from Lingpao to Lunchow and the improvement of the Peiping-Suiyuan railway. We should also centralize the administration of the country's wireless system, open plants for the construction of locomotives and cars as well as planning for transportation by aviation.

"Finally, we should early determine the country's system of trunk railway lines and national highways, improve transportation facilities on the Yangtze river and encourage our inter oceanic navigation. However, before we can proceed with these plans it is necessary that we first accomplish the following important task of consolidation.

Preliminary Measures

"1.—We must centralize the control of communications so that the business end and the employment of staff can be efficiently managed and regulated.

"2.—We must institute a special system of auditing and accounting of all communications funds. This is the only way by which we can hope to conserve our communications. We must be financially independent before we can expect to reform the present system. We must so manage that no other Government authorites except ourselves can appropriate or detain our funds.

"3.—To avoid exorbitant taxation, we should give increased facilities to the merchants for transporting their merchandise, so that the national revenue from the railway may not be effected.

"4.—We should request the central authorities to give full protection to the railway so that they may be immune from robbery and destruction by bandits.

"The above measures are of the utmost importance. Only through the successful execution of these, can we improve and expand our transportation facilities. I have taken this opportunity briefly to outline my scheme, and hope that all of you who are attending this Conference will co-operate to the fullest extent. My knowledge and ability are limited and it is to be hoped that you will render assistance for the benefit of the public. Your encouragement and counsel during the Conference will strengthen me and enable me to follow a practical scheme for the salvation of the country's communications. Our success will not only mean that we will have fulfilled the nstructions of our late Leader but will also add more prestige io the Chinese people."

An Inconsistent Report on "Communist" Activities

To the Editor, *The China Weekly Review*,

May I call your attention to the article in the *Shanghai Times* to-day headed "Reds Killed 100,000 People in Radical Uprising," giving an account of an interview with the Rev. G. H. Derr of Hengchow. It is an instance of the unreliability of some of the Shanghai papers. I have no sympathy with the Communists, but I believe many innocent people have been charged that way in order to get rid of personal enemies or obstacles. I think it very bad for the English press in China to print such an article which shows (1) either that they have deliberately distorted the Rev. C. H. Derr's story or else how could it be that they would charge as a Communist activity the arrest and execution of a sister of Dai Li (see paragraph marked) "on the charge of being a Communist," (2) or that they have left out much.

With thanks for justice to us Chinese,

C. Z. YANG

147 Avenue Dubail, Shanghai, August 10, 1928.

NOTE BY EDITOR:—The paragraph above referred to reads:

"Deng I-wei's sister and Lia Tsuen yung, both graduates of and teachers in the Locke Academy for Girls, were forced to 'marry' officers in the army. The sister of Dai Li, an evangelist recently graduated from the Tenghsien Theological School, was arrested and executed on the charge of being a Communist."

Chinese-American Bank Strengthens its Finances

As a result of difficulties experienced in collecting from the old Peiping government money which had been loaned to it during the past few years, the Chinese-American Bank of Commerce (Peiping branch) has recently been subjected to considerable financial strain, and as a result five new members have joined the board of directors. They are: Tan Tan-yah, managing director of the Continental Bank; Chow Tso-ming, president of the Kincheng Banking Corporation; Wang Tsu-hsun of the Bank of China; and Hsieh Ling-fu and Loo Yah-feng. The new board of directors has elected three members to confer with the president and vice-president of the bank regarding the organization of a department to control the business of the bank.

Cigarette Business In China Improved In Recent Months

The cigarette business in China is probably in better condition than at any other time in the last year and a half according to a statement issued in Washington, D. C. last month by the Bureau of Agricultural Economies. The bulk of the demand is stated to be concentrated in the cheaper brands owing to the higher taxes and advanced retail prices.

Last year some 15,000,000 pounds of flue-cured tobacco were harvested from American seed in the Shantung district. It is expected that the acreage which was planted this season will be somewhat larger, due to the good prices which the growers received for last year's tobacco. This tobacco is very similar to American-raised flue-cured tobacco.

Why Young Missionaries Quit

BY T. T. BRUMBAUGH

(*In the Christian Century*)

TO THE ARDENT SUPPORTERS of missionary endeavors, and especially to those contemplating giving their lives to foreign service, there is a romance defying description in the thought of working in Christ's name with people of different appearance, culture and habits. For the man or woman on the field the romance gradually fades as he becomes acclimated and integrated in his new environment, until all that is left to keep him at his work so far away from those of his own kind and the comforts of life "back home" are his conception of duty, his interest in his work, and the opportunities of service he sees about him. Let no one mistake; it takes a big sense of duty and a real task in which a man can plunge himself heart and soul and see some tangible results of his labors to keep a young man of ideas and energy "on the job" in foreign missions.

Personnel Losses Heavy

I have been amazed recently at the number of young people returning to America from first terms on the field with no desire to go back to their posts after furlough. Doubtless there has always been a heavy casualty list of this nature, but I am convinced that study and comparison of missionary records will show a larger proportionate loss to the fields from this source during the past decade than ever before.

Mission boards will doubtless have many reasons to advance in accounting for this phenomenon, and just at present they might seek to explain it by reference to the recent disturbances in China which have forced so many workers out of their posts with no assurance of early return. Yet, while many of the recent losses have, it is true, occurred among the China personnel, withdrawals were particularly heavy even before the Nanking affair, and neither the present military activities nor shrinkage in denominational missionary collections can account for all the failures to return. The writer's denomination and several others have suffered severe personnel losses in Japan in recent years, and there are many who report that work in India and the Pacific isles is failing to hold the imagination and continued service of many of the young missionaries who went out with such high spirits and hopes.

It will be well worth while for all, whether candidate, mission board, or supporting church, to consider the reasons given by young people for this declining enthusiasm for foreign work.

First of all, it springs from disillusionment, and the greatest source of disappointment to young missionaries as they enter their field of service is the inflexibility of mission methods as employed within the denominational mission machinery, from board secretary to committees and individuals on the field. Almost every profession in life has in the opening years of this century been developing new avenues of approach and specialized forms of training for the same. In this, however, missionary methods have fallen far behind the march of progress. Candidates for foreign work are still asked to say they do not insist on any particular part of the world or any special type of Christian work on the field. Mission boards prefer to "sign up" men who will go wherever there is a "call" and do anything that needs to be done. If a particularly desirable candidate appears with a training and ambition to do a specific piece of work in some designated country, he is coached to "get by" the board's vigilance in avoiding too strong individualism in its ranks, and is encouraged by assurances that when he gets to the field he will probably find just the type of work he seeks.

Small Opportunity for Specialization

However, experience indicates that among candidates who have a "specialty" but do not have an appointment to a particular post before leaving home, relatively few find the opportunity they crave after arriving on the field. There are many reasons for this, the previously mentioned inflexibility of mission methods being primary. Funds are short, also personnel—no new work can possibly be undertaken now; perhaps if the young man or woman in the case will take for a while the post now vacant, that of teaching English in a middle school, he may later find just the opportunity he desires. Thus work already undertaken swallows up new missionary personnel, regardless of individual preferences, and often regardless of fitness or training. And thus the recruit finds himself tied down to a task for which he has little aptitude, and perhaps less heart.

Talk with as many missionaries as you may, you will find that a large proportion of them, especially those "this side of fifty," have had such disappointments. And this leads to the second source of disillusionment among first-term missionaries: A young person goes to the field full of hopes and energy. He wants to jump right into his task and get results. He should be encouraged to do so. In every other calling it is so; the hustler gets the prize; even in business in the so-called mission lands it is so. There are long hours and few holidays for those who keep the world moving. But to give one's best to a cause and to thrive on it that cause must be of one's own choosing and one in which his heart is lost. There are many physical casualties among missionaries, but relatively few among those who are happily and whole-heartedly engrossed in their tasks. Yet among the "great disillusioned but yet on the field" the young missionary finds little enthusiasm, less originality, short—indeed, banker's hours, too many holidays, undue worry about "overwork," and not enough genuine concern over "overeating" and "oversleeping," which are far more deadly evils. Missionaries whose hearts are in their tasks work long and hard, and perhaps live a more strenuous life than any business man in the same lands, but too many missionaries take life easy to an extent that would be impossible were they in the ministry or any other profession in their home land.

Artificial Living Standards

And this suggests the third disillusioning factor: The young worker finds the missionaries with whom he must work living on such a high standard of living as to effectively divorce themselves from the lives of those among whom they seek to do good. And it ought to be said, too, that the average missionary lives better on the field than all but the highest-salaried ministers at home. Now this is not altogether the fault of those now in missionary service. It is partly because when missions first came to these countries, land and labor and all material things were so cheap that large mission grounds were purchased as centers of work, huge houses were built, and a corresponding scale of living was adopted. Today the missionary, much as he would like to reduce his living expenses, finds himself forced to live in these grand but now decaying old establishments, with all the upkeep expenses they involve and the necessity of keeping enough servants to care for them.

All this is wrong, not in that it is a dreadful burden and keeps us from intimate relations with the common people who naturally have a suspicion of luxury, but also because living in such a style, with native servants to wait on us and being able on our foreign salaries to enjoy things which only the wealthier natives can afford, inevitably creates in the missionary's mind a superiority complex which he would not otherwise have. Indeed, one wonders if such conditions are not largely responsible for that certain lassitude and dependence upon the services of others which even the young missionary soon begins to develop, if not ever on the alert,

Now all this is a rather logical progression, somewhat in keeping with the experience of most disillusioned first termers. And with mention of the "superiority complex" a fourth disappointing feature comes to mind. Having learned in his missions course in training school that the truest and best method in missions is that which integrates itself most closely with the life of the land and its people, the new missionary is surprised to find that practically no Christian mission in the field today is genuinely following this method. The propagation of the Christian gospel in non-Christian lands is still today in the eyes of the natives a "foreign" program, and this in spite of the fact that there are most able native leaders in all lands in whose hands the machinery of the church might be safely placed, or with whom the responsibilities might at least be shared.

Foreign Control

In no respect is this superiority complex more evident than in the recruiting of new American, Canadian or European workers for the field. If in anything the nationals ought to have voice, it should be in the selection and appointment of new "foreign" workers in their midst. They, of course, know best what types of personality make the finest impact upon native spirits, and they too know best what types of evangelism are most needed in their own country. But instead of giving the nationals a voice in the choosing and placing of new workers, this important matter is determined almost without exception by the missionaries themselves and the boards at home.

Could not much of the disillusionment of being unable to find one's place and task be entirely obviated if mission committees sat with committees of nationals in determining what types of personality were needed in new missionaries, and for what particular tasks, following this up with a specific search on the part of the board at home for just the right man for

(*Continued on page 398*)

Shanghai Merchants Endorse Dr. Kung's Program

A delegation of about sixty of the leading merchants and factory owners of Shanghai headed by the veteran shipping magnate Yu Yah-ching, and S. U. Zau, prominent in the Chinese Ratepayers Association, proceeded to Nanking end of last week with the object of presenting their views to the fifth plenary session of the Central Executive Committee. Dr. H. H. Kung, Minister of Industry, Commerce and Labor, gave a reception in their honor, and a number of important speeches were made.

Yu Yah-ching opening the program for the delegation, asserted that the object of the visit was simply for the enjoyment of their livelihood and pursuit of their wellbeing. The delegates did not seek to be relieved of their responsibilities to the government. On the contrary, they wanted to help the government secure the necessary taxes and revenues. But there should be a limit to their responsibilities. He voiced the hope that the Ministry would, in conjunction with other governmental organs, abolish the more atrocious taxes, including likin; unify the finance of the nation, take conciliatory measures to adjust the dispute between capital and labor and facilitate the betterment of communications throughout the country. He said he voiced the sentiments of commercial and industrial interests as a whole and was not advocating the needs of a certain section. The delegation had no private interests to serve nor ulterior motive to advance, but had only the interest of the people and the welfare of the nation at heart.

A representative of the Kiangsi chinaware and porcelain enterprises spoke of the heavy burden of taxation in his province, which was, he asserted, killing the industry altogether. Transportation had stopped. Buyers had abstained from giving out any contracts and the kilns had ceased to operate, with the result that 300,000 laborers had been thrown out of work.

Wu Tse-hou, representing the Commercial Association of the Greater Shanghai Municipality, endorsed Mr. Yu's remarks and pointed out the fact that the entire system of taxation could be improved, the Government would get more revenue, while the merchants need not pay any more, by doing away with the "tax-farming system" and cutting out the huge profits made by the tax-farmers.

He further suggested that the Ministry and the delegates should go into more detail about various problems. It was impossible for the Minister to attend to details; but such might well be left to officials like S. U. Zau, the Chief of the Department, and Secretary Jabin Hsu, who were both well-versed in the existing conditions in China's realm of commerce and industry. He viewed with alarm the strikes that had occurred, in the various factories, which were being forced to close their doors by recalcitrant workmen. He felt that the Ministry should devise some means immediately to relieve the situation.

Flour Mill Owners Ask Relief

A representative of the Flour Mill Owners then launched a strong attack on the Ministry of Finance, for its system of taxation. The Ministry of Finance he said, had exhausted its excuses for introducing new taxes, so it had now adopted a new form, known as "special tax," which, in other words, was a tax without a name. It was a tax which the merchants could not tolerate and was unjust in its exaction, because the rate varied in different parts of the country.

Following the addresses, the representatives presented Dr. H. H. Kung with a number of petitions dealing with present conditions in the silk, flour, cotton, earthenware and other industries.

In response, Dr. Kung stated that being a commercial man himself, he was quite aware of the unsatisfactory state of affairs now in existence. But he could assure his visitors that strenuous efforts were being made to promote the output of national goods, and every facility would be given to enable rapid development in this direction. The delegates might rest assured that he would do everything in his power to see that the necessary reforms would be carried out.

The Evils of Likin

For generations, he added, his family had been engaged in huge industrial and commercial enterprises in Shansi. Never before had his interests been so affected by the political situation as now. So even if the delegation had not called on him, he felt it his duty to see that relief was given to the sufferers at the earliest opportunity. He felt there was urgent necessity for co-operation between the Ministry and the commercial and industrial interests of the nation to rid it of various evils.

Take Likin for instance, he said, this form of taxation was introduced by Marquis Tseng Kuo-fang at the time of the Taiping rebellion. It was meant to be a temporary measure and was to be abolished upon the conclusion of the civil strife then afflicting China. The Manchus intended to carry out what they had promised; but the tax collectors, who had made immense fortunes out of the new tax, stood in the way and prevented the Government from abolishing it. So it remained in existence till this very day and succeeding generations had always found difficulty in getting rid of it. It was indeed the sacred duty of his Ministry to see to it that the Ministry of Finance should abolish Likin in due course of time as promised in the latter's declaration.

Regarding the vexatious problem of the relations of capital and labor, Dr. Kung said he was confident that a solution would be found by his Ministry. While in Canton, the Nationalist Government was faced with Bolshevik agitation among the laboring classes. Upon his suggestion, a Ministry of Industry was created and he was named its first minister. He did not want the job as an honor; but he felt he could do a lot for the merchants, and capitalists in this capacity.

Arbitration Regulations

The result must be left to the nation to judge; but he had always tried to serve the people as well as he could. A set of regulations on arbitration between labour and capital had been adopted by the Ministry. A commission on the codification of commercial and industrial laws had been sitting for a considerable time and are responsible for getting out these regulations. Another commission, that on policy, had also been created to formulate general plans for commercial and industrial development as a whole.

Wang Hsiao-lan, representing the silk interest of Shanghai, lamented the fact that Chinese silk being excluded from the New York Silk Exchange which had recently been opened. He feared that unless drastic measures were adopted for the improvement of sericulture, Chinese silk would disappear from the European and American markets altogether, while Japan was fast absorbing all the business which at one time Chinese controlled. To this Dr. Kung replied that he planned to establish silk testing houses at all ports in order to improve the quality of export silk. He told of his experiences with the Canton Silk Testing House during its darkest days.

Wang Wen-tien, head of the Silk Weavers' Association in Kiangsu and Chekiang, complained of the Bolshevik influences evident among workers in the Soochow factories and filatures. The honest workers were not allowed to work even when they wanted to because idle rowdies, incited by Bolshevik propagandists, had established pickets all round the factory sites to intimidate the laborers.

The proceedings ended with the delegates announcing that they would give undivided support to Dr. Kung's program of reconstruction and declare war on any party or parties which might seek to block that program.

(*Continued from page 385*)

hope that a new epoch would begin in the diplomatic relations between Great Britain and China, and that further steps might be taken for the revision of the existing treaties and the readjustment of outstanding questions on the basis of equality and mutual respect for territorial sovereignty.

His Majesty's Government in Great Britain recognize the essential justice of the Chinese claim to Treaty revision and in their declaration of December 18th, 1926 and their seven proposals of January 26th, 1927 they have made their policy abundantly clear and have taken such practical steps as lay in their power to carry it into effect.

In order to give further expression to the friendly and sympathetic attitude which they have always maintained towards China, His Majesty's Government in Great Britain are prepared in due course to enter into negotiations with the Nationalist Government, through their duly authorized representatives, on the subject of Treaty Revision. His Majesty's Government in Great Britain do not intend to allow the Nanking Incident to alter their previous attitude towards China and prefer to consider it as an episode bearing no relation to their Treaty Revision Policy.

I avail myself of this opportunity to express to Your Excellency the assurance of my high consideration.

For His Majesty's Minister,

(Sgd.) SIDNEY BARTON.

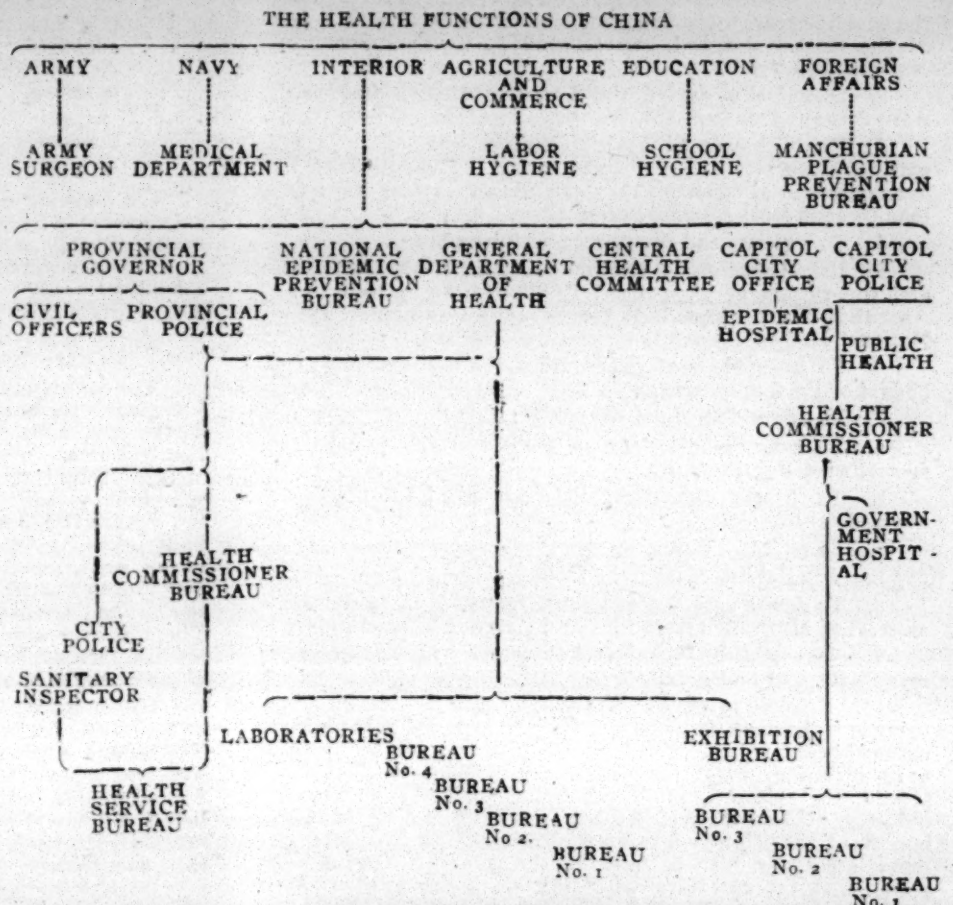
Head of Roman Church Favors Relinquishing of Rights in China

The Head of the Roman Catholic Church in Peiping has, according to the *Kuo Wen* news agency, received a cable from the Pope in Rome asking for information as to the reaction to his recent declaration and giving instructions that since a good deal of China's unequal treaties with foreign Powers has to do with religion and churches, he wishes all the members of the Roman Catholic Church to give up their rights as derived from these unequal treaties and obey the Nationalist Government of China, which is the object of his recent declaration.

The Proposed Ministry of Health

BY LEO K. T. YEN

IT is authoritatively reported that the Nationalist Government will adopt, among other reconstructive policies, appropiate measure for reorganizing its governmental functions of Public Health. In the absence of satisfactory means and control the defunct Peking Government allowed its Health Administration to deteriorate. So that China to-day in spite of her vast territory and vast multitudes of people, possesses the least efficient system of Public Health, as compared with Japan, England and the United States. In full realization of the fact that there is a growing need to provide facilities for readjusting the Health condition of China, the leading medical authorities have taken important steps for introducing into the Nationalist Government a new function, designed to look after the Health of the country. In consequence of heavy research, a proposed program on Public Health reorganization has been drafted and been presented to the responsible leaders for final consideration. However, it has been a constant fear on the part of those who are interested in the eventual acceptance by the Nationalist Government of the proposed plan that the present Reconstruction Period would offer, besides an opportunity, a danger to the successful development of the Health Issues. The completion of the Northern Expedition provides a new start in all branches of government including Health. Such a critical moment would be a circumstantial opportunity, if the errors of the previous Administration could be profited by, through examining into the reasons for the complete failure of the Peking Central Sanitary Bureau. On the other hand, there is no branch of government which has developed in technic in the past twenty years to the extent of Public Health and the danger of the present situation lies in the possibility of the Nationalist Government being satisfied with establishing Health Administration along the lines of the previous systems.



The Existing Health Functions

It is only with a slight modification that the Primitive Health System established under the Peking Administration was adopted for immediate functioning. Organizations in active operation are however much more efficient than those of the past. The present situation in the field of Public Health Administration may be described in brief as follows: A phenomenal development in Municipal Government has occurred since 1925, following in the wake of the northern advance of the Nationalist Armies. An integral part of this development has been the establishment in less than two years of some sixteen Health Departments in cities of over 100,000 population, despite the fact that there are less than twelve Chinese possessing either technical training or experience in Health Administration. In addition to the fact that the Southern Government assuming power in 1927 lacked competent personnel for Health reformation, various minor health activities were only organized at random without coordination to central control, as a result of the Southern Government taking over the Peking Administration, which does not in logic permit of any real central supervision. Peking did not adopt any definite measure for executing its Health Policy. Under its regime, Public Health problems were merely considered as ordinary medical services which were made loosely attached to its governmental functions in time of urgent need. Approximately, the Health position in relation to other governmental organizations has been as follows:

The above chart, while not pretending to describe the exact working formula of Peking, serves enough to illustrate the incompleteness with which Health as a governmental function was organized under its sway. It can easily be seen that, in the first place, Health under Peking received no central supervision. The system, in its essence, does not permit of any unified and direct control from above. Secondly, the system calls for the cooperation of the different police functions through which Health Services were rendered in different localities. It is only too obvious that a police commissioner, no matter how able and educated he may be, can not know too much about Health and Hygiene which is totally divorced from his line. It is ridiculous that Peking should entrust a herculean task in the hands of mediocrities. Thirdly, the Peking system placed some of the important Health functions under the direct control of the Ministry of Interior. It is very unlikely that the head of Interior, who could not have been a medical expert, would take so much interest in Health and Hygiene that a system satisfactory to the needs of his people might be devised through his efforts. Moreover, it goes without question that a man who has so many items of business to look after is likely to neglect one which does not yield immediate tangible results. Besides, the placing of Health in the Ministry of Interior is a relic from the period of about 1875, when its scope was only environmental and consequently its execution was largely a police function. Today, as has been pointed out, the scope has so extended as to make police function a negligible factor in the light of efficient health Administration. And, above all, to continue Health in the Ministry of Interior, merely on the grounds of precedent which originated over half a century ago, would be largely defeating the very principles for which the Kuomingtang Revolution has been effected. Lastly, the Peking system devoted itself purely to Curative Medicine in the absolute absence of preventive measure being adopted for the Health of the country. This last deficiency of the Peking system amounts, in substance, to a crime committed against the unfortunate people of China, who are still devoid of the Health privileges enjoyed by all civilized men.

Need to Centralize Control

In the face of gradual deterioration of the Health conditions in China, the leading medical authorities lost no time in calling the attention of the responsible leaders of Nanking to the fact that adequate means must be provided for undertaking immediate reformation. However, in anticipation of objections

to be raised against their proposed project by the Nationalist Government on the ground of financial tie-up, the medical men suggested to carry out an initial five-year national health plan which aims primarily at centralizing control of the Health functions of the country. That plan may be summarized as follows:

1. Stimulation of Municipal Health Administration during the first five years by ensuring efficient demonstrations in a few of the most strategical centers such as Canton, Shanghai, Nanking and Peking.

2. Stimulation during the first five years of local health work through grants-in-aid.

3. Establishment of health activities either of a purely national character or of such a nature that by coordination of overlapping local functions they can obtain greater efficiency than through local Administration alone.

4. To legislate and revise food and drug laws.

5. Establishment of minimum Public Health Standards and supervision of their local fulfillment, on the basis of an Appraisal Form adopted at the Seventh Conference of the National Medical Association.

6. To assemble materials during the first five years for budget of the final program.

7. To assemble trained personnel;

a. To grant scholarships to those who are qualified to specialize in Public Health.

b. To enforce compulsory Public Health Education in all the medical schools.

c. To establish Public Health Post-graduate schools.

d. To establish Midwifery schools.

8. To devise appropiate measure for establishing standard systems of Maritime Quarantine and Customs Examination.

9. To establish Technical Laboratories for research and manufacture of biologicals.

10. Establishment of Health Insurance. Health Insurance is the most significant activity to be listed in the initial national health policy. Possibly, two criticisms will be levelled at its inclusion. First, the scarcity of physicians in China and, second, the relatively small population engaged in large-scale industry. However, exactly these factors make it all the more important that Health Insurance should be an initial measure, more especially also because of the general Kuomintang policy that the chief responsibility of government is the welfare of the people. But it is essential that care should be exercised in establishing Health Insurance so that the grave faults of execution found in England and Germany are not to be duplicated in China.

Training of Health Officers

The responsible medical authorities, in drawing up the initial five-year national health policy for immediate functioning through governmental control, laid heavy stress on the problem of training health men. The black records of the old Wei Sheng Ssu indicate the urgent need for trained personnel if China is neither to undergo the process of self-evolution nor to erect a vast unintelligent health machine as is to be found in certain other instances—occurrences which should have been obviated at this date in the history of Public Health. In the opinion of those who are looking for a bright prospect, despite the present political conditions, there would appear to be a good probability for security of tenure of office, at least immeasurably better than in the United States when the relative conditions of the two countries are compared.

Health Training by Way of a Start

Suggestion has been made that the most practical and efficient manner of obtaining effective health administration in China would be to ensure the standards in certain strategical centers. The size of China makes it essential however that there should be at least three such centers. Somewhat the same principle should be considered with respect to provision of health training.

China will not be ready for at least twenty-five years to absorb or to provide candidates for more than one high-grade Public Health institution of a nature comparable to Johns Hopkins of London. The first step therefore should be conservation of energies so that not more than one institution of such a nature should be permitted to develop. This institution should provide training for such health officers as national officials, heads of provincial departments and the commissioners of health for the cities of first grade. To do this effectively it should possess the following minimal facilities:

1. The staff and equipment comparable to other schools possessing similar standards.
2. A city field-training area, administered by the institution and scoring at least 800 by the Appraisal Form adopted by the National Medical Association of China. As opportunity permits, a similar rural area should be obtained.
3. If not governmental in nature, at least acceptance by the government as its recognized training center.
4. Preferably, integral association with a University.

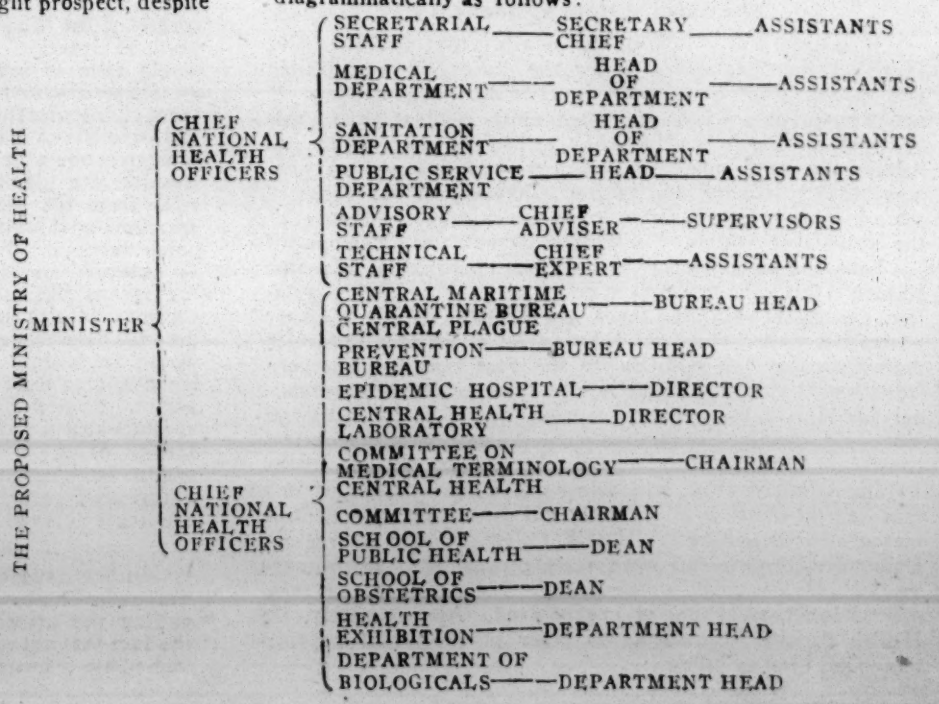
The language of instruction for such an institution would not necessarily be in Chinese, in fact some foreign language would probably be necessary during the initial period, certainly for reference work. The necessary language qualification for candidates would probably ensure the standards of the latter, who naturally would be only graduates of recognized schools. The function of this school would be avowedly to produce 'quality' trained health officers.

The next ten years should also see the establishment of at least three regional quantity-producing training institutions. These should be located respectively in North, Central and South China. Whereas the annual budget of the above 'quality' school could not well be less than M. $250,000, it would be feasible to undertake the shorter type of course for not more than $70,000-80,000 a year provided the training was undertaken as an integral part of the established medical school departments of hygiene. The course offered would also lead to a certificate recognized by the Ministry of Education. The instruction would necessarily be in Chinese. There should also be a field-training area controlled by the medical school but the satisfactory Appraisal Form score required might be placed at 500.

The foregoing outline does not necessarily restrict the scope of activities of a national nature to the subjects enumerated. The latter are believed however to be primary in the initial five-year policy. On the other hand, their early and successful accomplishment might permit the central authorities to launch out into other important lines, such as the establishment of Provincial Diagnostic Laboratories, undertaking also the manufacture of such essential biologicals as smallpox vaccine, and lending themselves therefore to the enforcement of a nation-wide compulsory vaccination regulation. Or, funds and personnel might become available to meet the very urgent problem of rural public health, which in China is a pressing problem with a population that is 85 percent agricultural.

Plans of the Proposed Ministry of Health

At the end of the transitional period in which preparations are to be made in accordance with the objectives of the defined initial policy, the leading Public Hygienists shall in cooperation with Nanking launch out to organize a Ministry of Health in conformity with the medical principles of Versailles Treaty. The rough scheme of the proposed Ministry which is under careful consideration may be described diagrammatically as follows:


THE PROPOSED MINISTRY OF HEALTH
MINISTER
CHIEF NATIONAL HEALTH OFFICERS
SECRETARIAL STAFF — SECRETARY CHIEF — ASSISTANTS
MEDICAL DEPARTMENT — HEAD OF DEPARTMENT — ASSISTANTS
SANITATION DEPARTMENT — HEAD OF DEPARTMENT — ASSISTANTS
PUBLIC SERVICE DEPARTMENT — HEAD — ASSISTANTS
ADVISORY STAFF — CHIEF ADVISER — SUPERVISORS
TECHNICAL STAFF — CHIEF EXPERT — ASSISTANTS
CENTRAL MARITIME QUARANTINE BUREAU — BUREAU HEAD
CENTRAL PLAGUE PREVENTION BUREAU — BUREAU HEAD
EPIDEMIC HOSPITAL — DIRECTOR
CENTRAL HEALTH LABORATORY — DIRECTOR
COMMITTEE ON MEDICAL TERMINOLOGY — CHAIRMAN
CENTRAL HEALTH COMMITTEE — CHAIRMAN
CHIEF NATIONAL HEALTH OFFICERS
SCHOOL OF PUBLIC HEALTH — DEAN
SCHOOL OF OBSTETRICS — DEAN
HEALTH EXHIBITION — DEPARTMENT HEAD
DEPARTMENT OF BIOLOGICALS — DEPARTMENT HEAD

Some of the financial items attached to the plan have been extracted out of the formal budget. It is proposed that the Minister of Health be salaried at $800, Departmental head at $420, Medical expert at $240, and assistant at $120. These figures are, however, subject to change relative with circumstances. At all events, the extra cost of the additional salaries and expenses incidental to Nanking would amount to less than $25,000 a year, which is insignificant. For this reason and for the revolutionary character of the Nationalist Government, in addition, Nanking should prevent the previous lack of a Ministry of Health in China from being an obstacle to its creation at this time. Besides, a careful calculation into the expenses incidental to various health organizations under the old Administration shows that their sum-total involves a number of duplicate items which are wastes and which can readily be eliminated by the creation of a centralized Ministry of Health.

In spite of the fact that a Ministry of Health should be a logical creation of the Nanking Government, responsible leaders see objections to the project. First, the conception of a Health Ministry is absolutely unrecognizable in terms of the old primitive organization, known as Wei Sheng Ssu created in China as recently as 1914, after the fashion of Japan, and second, a separate Ministry would involve an extra expenditure which is not to be found in the annual budget of Nanking. However, these objections are not to be taken as an eternal obstacle to eventual realization. In the opinion of the medical authorities, the difficulty in question is simply a matter of time and labor. The general policy of the Kuomintang, together with the universal increasing socialization of medicine, makes it logical it the possibility of a Ministry of Health is not immediately feasible that Health should at least become an important part of one of the Governmental Ministries, the Ministry of Interior being excluded from the list for reasons stated before. Prior to the eventual establishment of a Ministry of Health, Health should in logic be functioning in the Ministry of Commerce and Labor which should for the very reason be recognized as the Ministry of Commerce, Labor and Health. Inclusion of emphasis on prevention as well as on cure in health insurance will eventally make this measure the largest national health activity. Public health, aside from health insurance, is distinctly a social welfare measure. The Ministry of Commerce and Labor will doubtlessly be responsible for other important welfare activities and Health should logically be associated with them. That this is the most efficient position for Health when an independent Ministry is not immediately feasible is seen in the precedent to be found in France with its Ministry of Labor, Health, Public Assistance and Social Welfare. Furthermore, the present lack of an adequate number of physicians for the population as well as the absence of functioning local health authorities, without which no central authority can be truly national, also leads to the recommendation that suggestion of placing Health in the Ministry of Commerce, Labor and Agriculture be adopted as an intermediary step to the eventual creation of an independent Ministry.

China International Famine Relief Commission Issues Annual Report

The annual report for 1927 of the International Famine Relief Commission was recently published at Peiping. The outstanding feature of the Commission's activities during the year was the extension of its work into Yunnan and Kweichow, which was made possible by the allocation of generous sums of surtax funds which were granted to the Commission. Prominent among the activities in these two provinces was the building of roads. In Kiangsi large tracts of inundated land in the Kan valley were reclaimed.

In the Metropolitan area important irrigation schemes are in progress and when they are completed the farming methods which have been in vogue in that locality for centuries will be radically changed.

Considerable attention was paid to famine conditions in Shantung and Chihli, and funds from America and elsewhere are coming in as a result of the appeal sent out by the Commission.

Following a special study made by J. B. Taylor and H. C. Etter, of Yenching University, on how the cooperative marketing system of Denmark could be adapted to China, the Ministry of Agriculture and Labor is preparing a plan for rural regeneration.

The engineering department of the Commission has done construction work in the form of dykes and in other ways in Kweichow, Hupeh, Yunnan, Chihli, Kiangsi and Shantung. The chief engineer, O. J. Todd had engaged in extensive travels to superintend the work.

The civil war in China had not interfered with the work of the Relief Commission.

Wanted—High Wages for Chinese Workers

BY HARRY PAXTON HOWARD

THOUGH China shares with India the doubtful distinction of possessing the lowest wage scales of any important country in the world, the Nationalist Government at Nanking, founded presumably upon the San Min Chu I and devoted among other things to the people's livelihood, has so far failed to take any official interst in the raising of wages and the improvement of the workers' economic life in general. Much of this attitude was of course a reaction against Communist influence and activity among the workers. As the powerful Communist elements in the labor unions favored high wages, therefore high wages must be wrong, was apparently the reasoning of many officials—so far as they reasoned the matter at all—and the "anti-Communist" drive took on the aspect of a movement of "Down with Communism and wages" —which of course was enthusiastically concurred in by the business elements whose support the new government was so anxious to gain and retain. Responsible officials of the Reorganization Committee of the Shanghai Labor Union have informed the writer gravely that "wages here are too high, the employers are being forced out of business by their attempts to meet them."

The writer is unable to say definitely just how great the wage reductions in Shanghai—and elsewhere in Nationalist territory—have been during the past year, but there is reason to believe that the Reorganization Committee has met with a fair measure of success in their work locally. On the other hand, the Labor Federation organized by Kuomintang men has made efforts to improve the conditions of labor locally, and in some instances—notably in the B.A.T. strike—has accomplished something in a positive direction.

The Economics of Wages

The whole question is obscured, in general, by the most muddy and primitive ideas of economics. Increasing wages and improving labor conditions, of course, have never led to Bolshevism, and there is no reason to believe that they ever will. On the other hand, the argument that no substantial benefit can be gained by raising wages,—on the ground that increased prices will at once make up for it--is equally unsound. Prices are controlled by several things, and as things are in China competition is ordinarily sufficient to prevent any arbitrary price-raising. Even where competition is limited, goods produced for the general market must be sold at a price which the market is in a condition to pay.

The assumption that increased wages must necessarily mean reduced profits, and ultimately eliminate profits altogether, is based upon utter ignorance of the working of the economic system. This assumption, it is interesting to note, based upon Marxian economics, which declare that wage increases are taken from the surplus value of the capitalist. And it is most extraordinary how this assumption of the Communists is accepted by their avowed opponents.—as noted in the quotation given above.

Increases in wages, in point of fact, are made up for by increases in efficiency. They are a stimulus to increased efficiency, and force employers to devise ways and means of offsetting the rising wage bills by economies in administration or marketing. That such economies are extremely necessary in China is beyond question. That Chinese employers, taken in the mass, are extremely backward in their methods, and quite apathetic to the need of revising their practices, is as obvious as anything can well be. And when a government helps such employers to reduce or keep down wages it is simply setting back industrial development and paying a bonus to inefficiency. Where labor costs are raised, of course, some enterprises—the worst managed and least efficient—will go to the wall. They should, The better-run enterprises will survive. They should.

Government officials of even the most rudimentary intelligence must recognize that it is economically suicidal to place a premium on bad management,—that if anything is needed it is a stimulus to efficiency.—not one to inefficiency. Some realstimulus is necessary if the Chinese economic system is ever to make the steady and rapid rise required to put it on a level with that of other coutries.

Why Better Wages?

The writer has no intention here to go into the question of the justice of better wages and more decent living conditions for China's wage-earners, The late Dr. Sun felt keenly on this point, and has written with feeling on it. It should, indeed, be obvious enough to anyone with a sense of justice. It need only be metioned here that, as regards the workers themselves, the improvement of conditions in this respect means a healthier and better life physically and mentally, and the

possibility of that development to which China's period of political tutelage is to be devoted. And even taken from a purely materialistic upperclass viewpoint, disease due to the widespread misery of the masses cannot be confined to them, but spreads throughout society as a whole.

But it is not the idea of the writer here to speak of the social advisability of preventing some of the destitution and misery of the workers,—which God knows should be obvious enough. The point is that pressure from the workers towards higher wages—and less hours—is a most important and necessary thing for the economic development of China. This sort of pressure can and will be exercised as soon as it is permitted the wage-earners,—and its results will be a boon to the whole people of China through the increased economies effected. It is not for nothing that an outstanding American economist, speaking about conditions in the United States, recently declared that "a strong labor movement is needed, not only in order to prevent manufacturers from reducing labor's wages, but in order to compel them to raise its efficiency. Opponents of unions are fond of estimating the huge cost of strikes. The recent history of wages indicates that the American people owe the unions a vote of thanks for striking or threatening to strike against wage cuts and thus forcing managements to make industry more productive."

America's Experience

This declaration by Professor Slichter of Cornell University (and member of the staff of the Institute of Economics at Washington) is the result of a careful analysis of the rise in wages in America during the past fifteen years,—a rise quite exceptional, and unequalled elsewhere. Since 1914 the real earnings per hour of American factory workers has increased about 35 per cent. Real earnings, of course, mean buying power. Money wages have of course increased far more—in many cases have much more than doubled—but some of this is taken up by rising prices. Also, hours have been reduced. In general it must be said that if there is anywhere that rising wages would bankrupt employers it should be in the United States, with a general wage increase of this magnitude,—and the 1914 wage scale was by no means below—rather above—the standards of other countries. And yet American employers are cheerfully struggling along, paying profits and dividends running into figures hitherto undreamed of, and without the slightest intention of going into bankruptcy and turning over their plants to their workers.

The question arises, then: how can American employers pay their wage-earners one-third again as much per hour as they did fifteen years ago? The main reason, of course, was because they had to. Even where there were no strikes, there was the fear of strikes, and the dread of militant unionism. There was also the growing realization that increased wages and improved conditions mean more willingness on the part of the workers, and an enormous decrease in labor turnover. A high labor turnover has been recognized as an expensive thing,—not to speak of the improved physical and mental capacity of the workers through improved conditions.

Ford Started It

The recognition of this last element has only gradually forced itself upon employers. Henry Ford was the first to undertake, on a wide scale, really big wage increases. When fifteen years ago he announced that his minimum wage would be five dollars a day—more than double the general wage for unskilled labor at the time—he aroused the most intense opposition and antagonism among his fellow-employers. There was probably considerable altruism in Ford's project, but it developed, to the vexation of more conservative business men and the orthodox economists, that the doubled wage bill went hand in hand with actually increased dividends, owing to greater efficiency and various economies introduced as well as increased tractability and willingness on the part of the workers. Other auto manufacturers were compelled, faced by Ford's example and by pressure from labor organized and unorganized, to make substantial increases in wages, which ultimately cost them nothing,—except the annoying necessity of improving their methods of running their plants.

For the most part, it has been the matter of labor pressure which has forced higher wages. And improved industrial management has increased the production per worker so as to more than balance. The physical product per worker between 1919 and 1925 increased about 37 per cent.

How Has It been Done?

The increase in production has been attributed to various things: the use of more mechanical power; the employment of more capital; the concentration of production in larger plants. Careful analysis, however, shows that the first attempts at explanation are altogether incorrect. (With regard to the first primary horse-power per unit of factory production has actually decreased in recent years.) As regards the third idea—concentration into larger units—this may be to some extent a factor, but is quite inadequate to explain the great increase that has taken place.

The real explanation lies in simplification and standardization, improvements in machinery and methods, and—most of all—more efficient management,—involved with which (and with the wage increases themselves) is more efficient labor.

The most important thing is the stimulation of managerial ingenuity, which more than offsets increased labor costs by lowering other costs. "Both parties to the wage bargain win when the employer loses. . . . .With reduced costs, prices may also come down. Apparently the public also gains."

Intelligent business men have now come to see the situation as it is. Mr. Williams of the R. T. French Company, the big Philadelphia manufacturers, recently stated the position clearly: "Some time ago the idea occurred to me, 'What would happen if our wage-rates should again be doubled?' I have reviewed all the manufacturing operations in our plant and studied carefully all the possibilities for improvment and I am quite certain that after a few years our costs would again be lowered. I see quite clearly the steps which we could take."

The Necessity of Pressure

It is interesting to note that even here, among the enterprising business men of America, we find a conservatism, a willingness to let well enough alone rather than embark into new paths, that will only be disturbed when forced to it through strong pressure. Part of this conservatism may be due to the separation of ownership and management in big business enterprises. New devices, processes, plans, may exist, but it is necessary for those in financial control to authorize expenditure,—the necessity and results of which are far less clear to them than to the managers. Whatever may be the reason for it, however, it appears that even in enterprising America there is this conservatism with regard to innovations in method. And if we call this conservatism, what shall we call the attitude of the average Chinese business man?

Speaking in economic terminology, the effect of labor pressure for higher wages depends upon the margin of unused but practicable improvements which exists at any one time—devices, processes, plans already made which have not got into use. Such a margin appears to be always in existence-in capitalist industry at any rate. And when we find such a condition in America, with the amount of efficiency that has already been developed there, it may be said that the margin in China is almost unlimited.

At the same time, it is up to the Chinese Government to supply such technical education and educational facilities as will assist business men in improving their enterprises. But Chinese business men—much less than American business men—are not likely to make any real innovations until forced to it.

Wanted—Higher Wages

One thing which must not be overlooked is the increased market created by increasing wages. The wage-earners themselves are consumers, and the more they earn the more-obviously enough—they can buy. Installment selling has of course greatly expanded the American market, as well as given the workers access to comforts and luxuries undreamed of in former years.

A real pressure by Chinese labor for higher wages would be one of the most desirable things for Chinese economy and for the Chinese people as a whole. If the workers can be organized under non-Bolshevist influences, and gain some concrete material improvements in their living conditions, more will be done to gain their loyalty and co-operation than can be accomplished by a thousand executions of "Communists" and "labor agitators." It is not for nothing that Su Chou-ging, secretary of the Communistic China Federation of Labor, declared in his report for the past year that the Labor Federation here in Shanghai is "most dangerous of all," because they are actually assisting in the improvement of labor conditions. Oppression and reaction, on the other hand, drive the exploited and suppressed workers into the arms of the Bolshevists as their only hope. This should be so obvious as to need no emphasis.

That continual strikes may hamper industry is true. But strong labor unions are in themselves a way out of strikes. Their strength makes their demands respected, and frequently complied with without the necessity of industrial conflict. The experience of other countries is obvious enough on this point. And most of all, collective agreements can be concluded, on a basis of equal bargaining, of the greatest value to labor and to the consuming public as well. Fair and intelligent arbitration becomes possible,—as it can become possible in no other way.

Higher wages for China's workers means a higher efficiency for China's economic system. With the encouragement of real labor organization, recognizing that labor's income depends largely upon its bargaining power, and that its productivity may be expected to follow, there may come a day when the Chinese people will realize that they owe their unions a vote of thanks for forcing managements along the path of economic progress.

A Customs Experience at Swatow

To the Editor, *The China Weekly Review*,

The editor of so good a paper as the *Review* knows everything, or at least wants to know it. With that idea in mind, I am writing this to you. Whether it is of worth and whether it should be passed on to some organization in Shanghai, like the Chamber of Commerce, (Chinese) you will know best.

The thing I wish to write about is the experience I had recently in getting a shipment of household supplies through the Customs in Swatow. The goods came mainly from Ching Wah & Co. in Shanghai. Before going home on furlough last year, no duty was charged in Swatow on goods I purchased in Shanghai, with one exception in perhaps a score of shipments. Of course, I am not referring to the internal duties—likin, but to the regular customs.

This time when I applied for my goods, I was told they would have to pay duty, the full rate as if the goods were being received by me from America, for they were "foreign" goods. I called their attention to the statement of the shipper on their document (I presume it was a manifest), also on my copy of the same, saying that the goods had paid duty in Shanghai when landed there. The Customs authorities in Swatow showed me the chop on their copy, which said, "To Pay", and they declared that this chop had been put on in Shanghai by the Customs authorities there, so that it would be necessary to pay duty.

Further, this foreign Customs officer,—a Russian, I should judge by his name,—told me that this was always the rule. He said that all goods (foreign) shipped to Swatow from Shanghai were regarded as not having paid duty in Shanghai when it landed. In other words I have to assume that he meant that all firms shipping out of Shanghai, if the goods, at least a part of them were of foreign origin,-are assumed to have been smuggled into Shanghai. In the order of which I am writing there were also some tinned goods, for which I showed the invoice of J. L. Duff & Co., Shanghai,—Chinese products entirely, which were also added for payment of duty in Swatow.

This was an interesting experience to me, for I have practically never in the past, had to pay duty on goods purchased from Shanghai. The Customs' people seem to demand that the proof of the original shipment be presented, in order to get "Duty Free", but of course this would be practically impossible, since the Shanghai compradore purchased in wholesale quantities, and then sold to me in retail amounts.

On questioning others in Swatow, I find that everybody now seems to have the same experience, in that they have to pay duty at the regular "foreign" rate on all "foreign" goods shipped from Shanghai. For instance, there was a recent shipment of cloth made in Korea, and shipped to Edward Evans & Sons, the Korean cloth agency in Shanghai, which on arrival in Swatow in a smaller lot of course, paid the same duty as if it had come directly from Korea.

A Compradore in Swatow told me that he used always to purchase his goods from Shanghai as a distributing center, for it was cheaper there. Now, he told me, the duty on foreign goods collected a second time when entering Swatow, makes it cheaper to purchase from Hongkong, where the "foreign" goods pay only one duty,—that is when they enter Swatow. I am wondering if there is anybody in Shanghai Customs, interested in breaking down Shanghai as a distributing center, in favor of Hongkong, hence the apparently regular present ruling by which all goods from Shanghai, are assumed to have been smuggled into that port. Probably, if this ruling is not reversed, I shall have to do my purchasing from Hongkong as now seems to be the case with the Chinese merchants in Swatow.

It may be that my conclusion is false, and that there is no attempt to force trade to enter South China through Hongkong, but it appears that the actual outcome is such. Naturally this is detrimental to business interests there in Shanghai and should be of interest to the merchants there.

It is also possible that Ching Wah and Company, did not give the form of proof that he has given in the past, and that the fault lies with that firm. However, my inquiries of other people, and including the Swatow Compradore and the Customs official, indicate that the rule is general, and that it is practically impossible to satisfy the Customs in Shanghai that the "foreign" goods have already paid customs dues on entering that port.

I have lived in China for the past twenty-three years, and feel China is not being justly treated, if all "foreign" goods shipped out of one of her ports to another of her ports, has to pay a second duty.

In talking with the Russian official in the Swatow Customs, I asked what probable changes there would be after the first of January. I had understood that had been the date agreed upon for the rendition of the Customs. He assured me that so far as the regular customs administration was concerned there would be no change. Now I am wondering whether we are to continue to have a double set of customs indefinitely, such a system as now prevails, where goods have to pass through one set of officials, and then have to go to another entirely different set, not merely increasing the duty, but requiring at least twice the amount of time for taking delivery of goods.

GEO. W. LEWIS,

Ungkung, via Swatow, China, July 31, 1928.

Chang Hsueh-liang's Problem

BY MIEN LOWRIE

ALTHOUGH it has been openly alleged for so long a time, that General Chang Hsueh-liang, the son of Marshal Chang Tso-ling, is going to pledge obedience to the Nationalist Government yet this statement has not become an actuality; and although it has been said that General Yen Hsi-shan has despatched two special delegates to have a peaceful negotiation with the young general on the question of bringing the Three Eastern Provinces, (Shengking, Kirin and Holungkiang, popularly known as Manchuria) under the jurisdiction of the Nationalist Government; of flying the "blue-sky-and-white-sun flag; of accepting the Three People's Principles laid down by Dr. Sun Yat-sen; and of inducing the other Fengtien leaders to observe the orders of Nanking, similarly, it has produced no real result. Investigating the cause we find that it is probably the alleged warning of Japan that interfered with the young general's coming to terms with the Nationalist Government. Despite the fact that Japan had denied such an action, such a warning was really given by Baron Tanaka to General Chang Hsueh-liang "because he felt that Japan's position in Manchuria would be jeopardized if Nationalist rule predominated."

Japan's Evil Intentions

That Japan is determined to carry out her positive policy in Manchuria is looked upon by the foreign ministers in China as an interference in the pacification of the Three Eastern Provinces. It is true that Japan is ready to annex Manchuria as her own, for, Japan, being a nation of small area, with increasing population, is ever anxious to extend her boundary for her selfish purpose; and as Manchuria is adjacent to her, it is much easier for her expansion policy than any of other Chinese territories.

Again, there is a great deal of her special interest in Manchuria—the South Manchurian Railway Company which was ceded to Japan as a result of the Russo-Japanese war. This company was capitalized first at 200,000,000 yen and later its capitalization was increased to 440,000,000; and many other businesses are carried on there. So, it is no wonder that Japan will do her utmost to prevent the Three Eastern Provinces from falling into Nationalist hands for their interests in that area would no doubt be endangered.

Japan's New Puppet

As soon as Marshal Chang Tso-ling's sudden demise was officially reported, his son, General Chang Hsueh-liang was soon appointed the Pacification Commissioner of "the Three Eastern Provinces." He is said to be favorable to joining the Nationalist Government, but he has not executed his promise up to the present time. Some are of opinion that his adherence to the Nationalist Government was perhaps interfered with by the alleged warning of Japan, but from my point of view, he seems to be unwilling to join the Nationalist Government under the pretext of Japan's issuing the warning, because he wishes to retain his former right and interest in that area. The *Shun Pao*, one of the leading newspapers in Shanghai on August 6, published an article stating that General Chang Hsueh-liang was favorable to joining the Nationalist Government on condition that (1) the Nationalist Government should immediately stop the military movement and that all the troops should be paid; (2) that all the officers in the Three Eastern Provinces must be chosen in that very area; and that (3) the directing committee on improving the Kuomintang must not be established without the consent of the Manchurian Government. From this point, that the young general was unwilling to come to terms with the Nationalist Government is plainly decernible.

An Opportunity For General Chang.

It seems difficult to see how the Manchurian question will ever be settled in case the young general holds out his dogged persistence to refuse adherence to the Nationalist Government. So, the only way for him is to realize the importance of China's unification, to forget all the selfish motives, and wholeheartedly pool his interests with the Nationalist party. In this way, not only would China's longed-for unification of the Three Eastern provinces be established, but the outstanding questions with Japan would also be settled.

Sungkiang, August 7, 1928.

Shipping Troubles on the Upper Yangtse

BY C. B. RAPE

AT Ichang, one thousand miles up the Yangtse, conditions are the best that they have been any time during the last two years. The officials have things well in hand, and have worked hard to clean out the brigands who have been so troublesome during the last year and a half. Scores of these robbers have been captured and executed during the spring and summer. However steamers on the upper Yangtse are having their troubles.

During the month of May two of General Yang Sen's division commanders rebelled against him. This made it necessary for General Yang to remove his troops from the cities of Wushan, Kweifu and other places along the river. At once brigands moved into this district, and ever since they have been making trouble for shipping, as well as for the people. Many villages have been looted and burned, and when the writer came down river last week, several of these seemed to be absolutely deserted. At one time the walled city of Wushan was beseiged by over a thousand armed robbers, masquerading as "Sacred Soldiers", or "Red Spears." They finally captured the city and last week it was still in their control.

In the gorges above Wushan and also along a stretch forty-five miles long above Kweifu, steamers are frequently fired upon. Only last week a German steamer, the *Fu Swen*, had one man killed and two severely wounded. These operation of brigands and the danger of being commandeered by the military, make it necessary for steamers either to carry guards or to be convoyed by gunboats. For a time the American vessels—the Yangtse Rapid Steamship Company, six; and Standard Oil Company, three—carried American marines. While these men did excellent service under ordinary circumstances, there were times when their numbers were insufficient to cope with the difficulties. At one time three Yangtse Rapid boats were anchored at Wanhsien for the night with ten American marines on board. Fighting was going on at the time, and when three hundred soldiers came out to commandeer the vessels, it was useless for the marines to try and resist. A wireless was sent to the U. S. *Guam* then in Chungking, and when she arrived a few hours later, the military released the three ships without further trouble. Since then the three new American gunboats, the *Luzon*, *Guam* and *Tutuilla*, have taken turns convoying American vessels. Usually there are three or four boats in a convoy, and this method of protection seems to be very satisfactory. It is interesting to note, too, that the most of the Chinese do not object to the operations of these war vessels in a district where there is no law or order. In fact they heartily approve and prefer to ship their cargoes on vessels that have such protection. Our navy never interferes in politics or the struggles between the various military factions. If fired on by brigands they do not hesitate to return the fire, though this seldom happens. If there is any clash with the military the difficulty is settled by negotiations. Just the presence of these vessels seems sufficient to avoid trouble.

British Vessels Provided with Guards

This year the British vessels are all provided with guards. Butterfield and Swire are operating six on this run, Jardine, Matheson and Company two, and the Asiatic Petroleum Company three. Besides the guards, the British navy keeps gunboats stationed at Ichang, Wanhsien and Chungking. Like the boats of the U. S. navy, all of these are new, and especially constructed for up-river service. When the writer came down river one of the British gunboats was cruising up and down a brigand infested part of the river with a Chinese general on board firing upon the brigands whenever they showed fight. These operations had the approval of the Chinese military and were evidently having good effect, for when we passed through this district we were not molested.

Four Japanese boats were on the up-river run and seemed to be doing a successful business in spite of the anti-Japanese feeling. The Japanese navy keeps four gunboats on this section of the river and all their steamers carry armed guards.

Chinese owned steamers are having a hard time of it. Foreign vessels refuse to carry passengers, but this the Chinese boats can not do. Consequently they are constantly having trouble with brigands who board the vessels as passengers and operate in connection with their fellow robbers on shore. Furthermore they are subjected to commandeering continually to carry troops, and their cargoes are seized on the slightest pretext.

But not all the difficulties of the shipping companies are with brigands. When our boat stopped in Wanhsien last week ixteen different inspection parties boarded the vessel, the army of inspectors numbering nearly forty. Some searched for arms and ammunition, others for opium, salt, tobacco, etc. With all these numerous eyes of the law looking for trouble, woe be to the vessel that happens to be found carrying contraband.

Mauser Pistols in "Needle" Cases

Recently the *Kintang*, a Butterfield and Swire boat, had a consignment of needles on board which was duly listed on her manifest. When she arrived in Wanhsien the authorities decided to open these twenty-five cases of needles. It was found that inside the wooden cases were small tin boxes, all exactly of the same weight. However the most of these were found to contain Mauser pistol cartridges. There was a total of a hundred thousand rounds and naturally these were seized by General Yang Sen. This affair delayed the *Kintang* for four days which, of course, meant a big loss to the company.

Another boat belonging to the same company had a consignment of cotton yarn. At Wanhsien the inspectors opened up some of the bales and discovered scattered cartridges. They tried to create trouble over this, but fortunately there was evidence that the inspectors themselves had planted these cartridges in the hope of extorting money.

Up to the present there has been plenty of cargo for the forty odd vessels on this run, but about the middle of July the merchants of Chungking did something new. They went on a strike, refusing to export any goods owing to the heavy export duties imposed by the military. Vessels have been forced either to load coal or to make the trip down river empty. This revolt of the merchants is a healthy sign and it is to be hoped that they have stamina enough to hold out against the unjust demands of the military until there is substantial reduction in the duties. No doubt a compromise will be effected and soon cargo will be moving again.

Chungking, Aug 8, 1928.

American Chamber of Commerce Sends Out Japanese Propaganda

Considerable comment was aroused in American commercial circles in Shanghai last week due to the distribution by the American Chamber of Commerce of a pamphlet issued by the Osaka (Japan) Chamber of Commerce and Industry which gave the Japanese side of the Tsinan incident. The pamphlet was accompanied by a letter written on the stationery of the American Chamber and signed by Warren Manley, secretary of the Chamber, the letter reading as follows.

"To Members of the American Chamber of Commerce, Shanghai:-The enclosed pamphlet entitled 'Statement of Facts and Circumstances of the Collission Between Japanese and Chinese Troops at Tsinan,' published by the Osaka Chamber of Commerce and Industry, is sent you, believing that you will be interested in reading same. (Signed) Warren Manley, secretary, American Chamber of Commerce."

The pamphlet which accompanied the letter was printed in the English and Chinese languages and purported to be a draft of the official report of the Japanese Government on the Tsinan incident which was submitted to the League of Nations at Geneva on May 28 of this year. The circulation of the pamphlet which was very anti-Chinese in tone and content and constituted a most biased form of Japanese propaganda, has aroused considerable comment in the American commercial community in Shanghai owing to its circulation by the American Chamber of Commerce in Shanghai, several merchants being of opinion that the American Chamber should not concern itself with the present Sino-Japanese complications unless it was willing at the same time to circulate to its membership similar pamphlets issued by Chinese organizations giving the Chinese side of the controversy.

Consuls Who May Not Sit at the Provisional Court

In connection with the Provisional Court the Chinese Bar Association, at a recent meeting of the Executive Committee, passed the following resolutions at a recent meeting:

1.—That letters of congratulation be sent to the Chief Judges of the Kiangsu Provincial Special Criminal Court and the Shanghai Provisional Court on the occasion of the resumption of their new posts.

2.—That a circular notification be sent to all members announcing that the Japanese, Belgian, Danish, Portuguese, Italian and Spanish Consuls are not to be permitted to sit on the bench unless they do so as the Senior Consul's deputy, in cases wherein the peace and good order of the Settlement is involved, or even in cases which are stipulated in the provisional regulations drafted in connection with the rendition of the Mixed Court.

Mr. Van den Berg, Dutch Vice Consul, sitting as the Senior Consul's deputy, held Court August 13, without a Chinese Judge.

Eat Your Way To Health

Scientific tests have proven and the experience of thousands has demonstrated that a daily diet of raisins will conserve and restore your health. They are easily digested and contain all the essential elements of food needed by the human body. **Eat them daily and—demand the Sun-Maid brand. . . . . .**

Sun-Maid Raisin Growers Association,

3 Canton Road, - - - - Shanghai.

Text of Nationalist Trade Mark Law

(Law No. 2)

TRANSLATION BY N. F. ALLMAN

(Continued from last week)

Article 20. If during the term of the exclusive right of use in a trade-mark the business with which it is connected is discontinued then the trade mark rights are extinguished.

Article 21. The registration of the exclusive right of use in a trade-mark or the extension of the term of such registration, if contrary to Articles 1 to 5, may be declared invalid by the Trade-mark Bureau after hearing.

Article 22. The Trade-mark Bureau shall prepare trade-mark registration books, in which shall be registered the exclusive rights of use and other trade-mark privileges, as well as all matters in connection therewith required by law. The Bureau will enter in the trade-mark books all trade-marks approved for registration, and issue therefor certificates of registration.

Article 23. The Trade-mark Bureau shall publish a Trade-mark Gazette, containing all registered trade-marks and pertinent matters in connection therewith.

Article 24. For registration of the exclusive right of use in any trade-mark or an extension of the term of such registration, the applicant must pay at time of the application, the prescribed fees which shall be refunded by the Trade-mark Bureau if the application is rejected.

Article 25. The application for registration of trade-mark must state the class of goods to which it is appropriated. Goods must be classified as set forth in the Regulations for the execution of this law.

Article 26. When the Trade-mark Bureau receives an application for registration of the exclusive right of use in a trade-mark, or of an extension of the term of such registration, an examiner shall make due enquiry after which, if the application be found according to law, the applicant shall be furnished with a copy of the decision and the result published in the Trade-mark Gazette. After six months the application will be granted provided there is no opposition or interference on the part of injured or interested parties, or whenever such opposition or interference shall be overcome.

Article 27. An applicant whose application has been rejected may submit, within thirty days, after receipt of the decision, a request for a re-examination, together with a statement of the reason therefor. Should the applicant be dissatisfied with the second decision, he may lodge an appeal according to law with the Ministry of Labor.

Article 28. In the following cases, an interested party, or party likely to be injured may apply for a hearing:

(1) When, according to Article 21, the registration is invalid.

(2) When the extent or limit of the exclusive right of use in a trade-mark should be defined.

(3) When the registration of a trade-mark should be declared invalid for being contrary to Article 1 or Article 2, Clauses (1) to (6), the examiners may call for a review.

No request for a hearing can be made in respect to a trade-mark after a lapse of three years after publication in the Trade-mark Gazette although such trade-marks are in violation of Article 2, clauses 7 and 8 and Articles 3 to 5.

Article 29. A written application must be filed with the Trade-mark Bureau when a hearing is desired. In all such cases, copies of the documents from the interested parties must be furnished by the Trade-mark Bureau to their opponents and it will require them to file answers within a given time and order either party to state facts in response to any interrogatory that may be put to them.

Article 30. For a hearing three examiners must be present. Every question before them is to be settled by a majority vote. Examiners are to be designated by the President of the Trade-mark Bureau according to the circumstances of each case. No examiner can attend who is interested or has previously taken a part in the matter under dispute.

Article 31. The examiners may base their decision on the papers which have been filed. If necessary, a day may be named and the parties summoned for an oral discussion. No hearing shall be suspended merely because of delay or inability of the interested parties to present themselves within the appointed time or the time prescribed by law.

Article 32. Any person whose interests may be affected by the matter under hearing may request to intervene before the review is concluded. Whether or not the intervention will be allowed must be decided by the examiners on the basis of the examination of the parties. If the effect of the intervention in the examination is other than of assistance to the party whom the intervenor would support then the intervenor's action will be without effect.

Article 33. If the decision of the examiners is not acquiesced in, an application for a further hearing may be made within 30 days after receipt of the decision. The procedure to be followed in such cases will be the same as that observed in applying for the first hearing.

Article 34. If the second decision is not acquiesced in, an appeal may be made within 60 days to the Ministry of Labor. If the applicant is dissatisfied with the decision of this Ministry suit may be brought according to the law and procedure in the administrative court. Such suits are limited however to cases where the decision is contrary to law.

Article 35. After the decision of the examiners in regard to any trade-mark has been given, no person may ask for a re-hearing on the same facts and the same evidence.

Article 36. In case a civil or criminal action is brought in matters having a bearing upon the exclusive right of use in any trade-mark, no legal proceedings shall commence until after the decision of the examiners has been given.

Article 37. If it is desired to obtain exclusive right of use in a mark used on a commodity which is not bought or sold for purpose of gain, an application for registration of the mark should be made according to the present trade-mark laws. such trade-marks or emblems come within the provisions of this law.

Article 38. The amounts of the trade-mark registration fee and all other fees payable in matters connected with trade-marks shall be prescribed in the rules for the execution of this law.

Article 39. The perpetrator of any of the following acts is subject to be sentenced to penal servitude for one year or less or to be fined $500.00 or less and his stock confiscated:

(1) Using another person's registered trade-mark on the same goods or using containers, wrappers, etc. that bear his registered trade-mark thereon for the same goods, or delivering or selling goods as aforesaid.

(2) Delivering or selling another person's registered trade-mark; containers, wrappers, etc., that bear said registered trade-mark; with the intent that others use them on or for identical goods.

(3) Counterfeiting or simulating another person's trade-mark with a view to using it or causing it to be used on identical goods.

(4) Using spurious or simulated trade-marks on identical goods; or delivering or selling such trade-marks, with the intent of causing others to use them on identical goods.

(5) Delivering or selling identical goods on which the spurious or simulated trade-mark is used.

(6) Delivering or selling goods on which are used trade-marks identical with or similar to registered trade-marks of another person; or importing such goods from foreign countries with the intention of selling or delivering them.

(7) Using on advertisements, signboards, invoices, bills and other business documents, trade-marks identical with or similar to the registered trade-mark of another person, in respect to identical goods.

The offense of delivering or selling in such cases as are specified in clauses (1), (2), (5) and (6) is committed when a person has possession with intent to deliver or sell the same.

The offence mentioned in paragraph (1) will not be dealt with until complaint is filed by the injured party.

Article 40. The perpetrator of any of the following acts is subject to be sentenced to penal servitude for six months or less, or fined $200.00 or less;

(1) Obtaining by fraud the exclusive right of use in a trade-mark.

(2) By using on any goods trade-marks which are falsely alleged to be registered or delivering or selling or having possession of such goods with the intention of delivering or selling the same.

(3) Using on advertisements, signboards, bills, invoices and other business documents, trade-marks falsely represented to be registered which in fact are not.

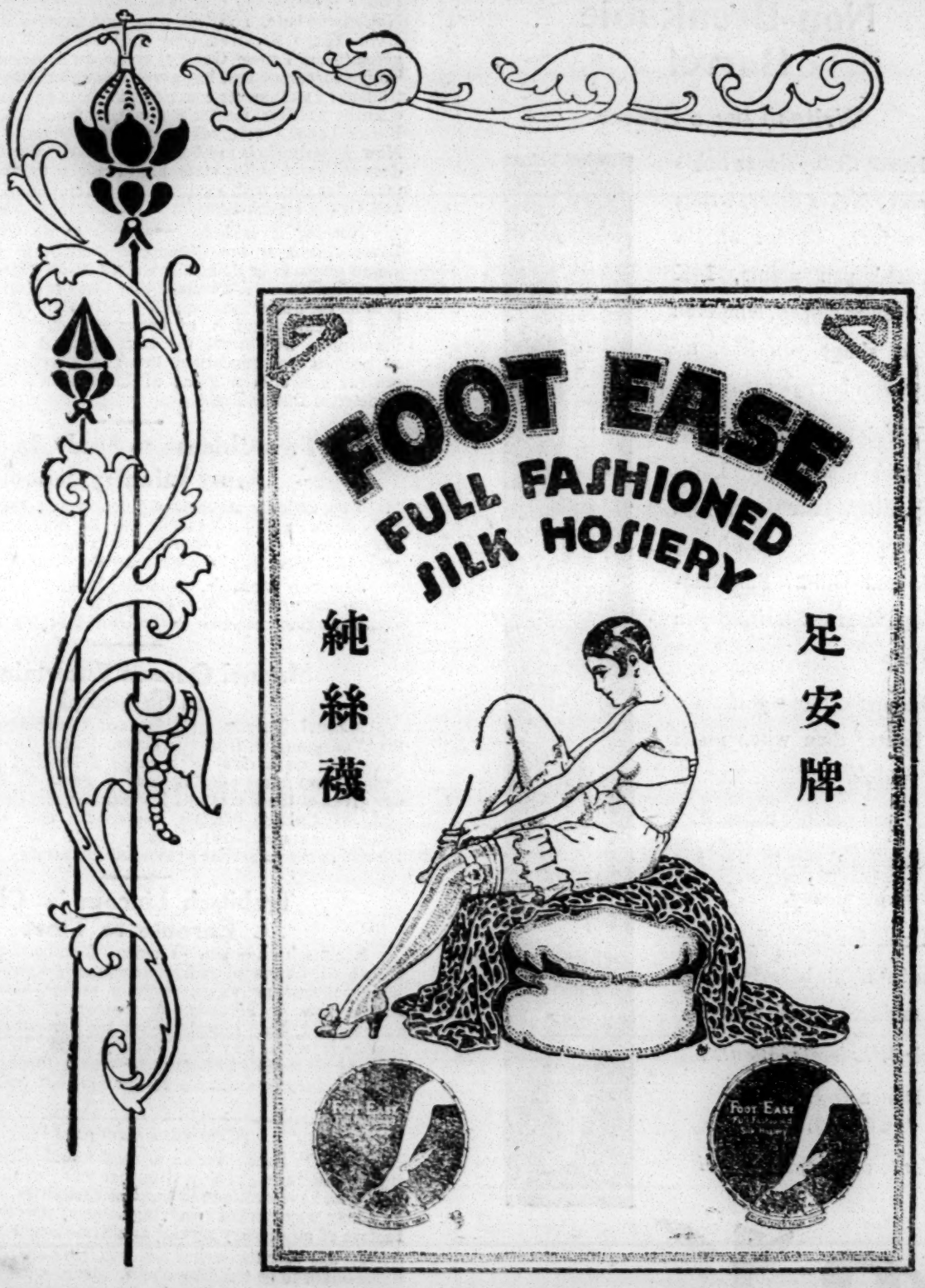
Article 41. Goods subject to confiscation according to Article 39 may be appraised and delivered to the injured party upon his request before judgment is given. If the amount of loss sustained by the injured party is in excess of the value of the property delivered to him, he may ask further damages by legal process in order to make up the deficiency.

Article 42. Witnesses, experts or interpreters who make false statements to the Trade-mark Bureau or the authorities, exclusive or judicial, acting on its behalf are liable to be sentenced to six months penal servitude or less or fined $200.00 or less. Any offender who voluntarily confesses before inquiry is completed and the case determined, may be given a lighter sentence or fully pardoned.

Article 43. In the trial and execution of court processes in trade-mark cases imposing penalties and damages for injuries such as are prescribed in Articles 39 to 42, when foreigners are concerned, the treaties in force shall be observed if these treaties contain special provisions thereon.

Article 44. This law shall be effective from the date of promulgation.

(This law was promulgated and published in Trademark Gazette No. 1 issued at Nanking, February 15, 1928)


FOOT EASE
FULL FASHIONED
SILK HOSIERY
足安牌
純絲襪
FOOT EASE
FOOT EASE

Pressureless Touch

Non-Breakable Barrel

Writes Like a Breeze

Never tires. Never holds you back. Takes notes, writes themes *fast*. Choice of six graduated pen points, 14K gold, iridium-tipped, tempered to hold shape *you* like, no matter who borrows it.

5 colors—Lacquer-Red, Mandarin Yellow, Lapis Lazuli Blue, Jade Green—all black-tipped—or flashing Black and Gold. Smartest-*looking*, smartest-*writing* pen you know.

Balanced like a golf club. 28% lighter than when made with rubber.

32 pen patents cover it.

One *good* pen to last for years *saves* money.

Look for "Geo. S. Parker —Duofold" on barrel—that's the genuine. At all dealers.

Sole Wholesale Agents:

DODGE & SEYMOUR (CHINA), LTD.

3 Canton Road, Shanghai

Parker Duofold

Blind Man's Buff in Manchuria

BY CHARLES JAMES FOX
(*In the North China Star*)

Manchuria is to be maintained as a "buffer zone," according to an agreement between the "two Governments," Japan and Chang Hsueh-liang, according to the latest of the strange cablegrams that keep coming from Reuter's agent in Tokyo. The first of these strange messages appeared some days ago, stating that Baron Tanaka, Japan's Premier, had "warned" Chang Hsueh-liang that he must not put Manchuria under the Nationalist rule. The following day, another Reuter's telegram from Tokyo declared that the "warning" was merely advice given to the Young General at his own solicitation. Reuter's Tokyo correspondent has given no explanation of the quite contradictory statements contained in these two messages. Subsequently another Reuter's message from Tokyo declared that Baron Tanaka referred to the "sovereignty" of Manchuria. Now, Manchuria is to be a "buffer zone." The Reuter's message does not say a buffer state, but it refers to the "two Governments," spelled with a capital "G" referring, of course, to Japan and Chang Hsueh-liang,

Nothing is said as to who is to do the buffing, Japan, Soviet Russia or the Chinese Nationalists. Just at present, Japan seems to be doing the buffing, although some is promised from Nanking. We assume that Chang Hseuh-liang himself is to be the bufferhead, which receives the concussions. How long he can stand it, or better still, how long the Chinese in Manchuria will stand for him, remains to be seen. As far as politics are concerned the Young General seems to be the central figure in a game of blind man's buff in the newly christened Buffer Zone.

Two Chinese to Study In U. S. Army Infantry School

Two Chinese students will enter the infantry school at Fort Benning, Ga., according to an announcement made in Washington, D. C. recently. A request to allow them to enter the school had been made by the Chinese Government.

The two students, Chia Mei-hu and Jen Tao-li, will be authorized to enter the school for the Company Officer's Course, without expense to the United States Government.

Manuel Quezon Entertained in Shanghai

Manuel Quezon, president of the Philippine Senate, arrived in Shanghai from the United States August 10. He was welcomed on arrival by a large delegation of Filipinos and Chinese and in the evening was a guest of honor at a dinner given at the Bureau of Foreign Affairs by a representative body of Chinese officials, merchants and military leaders, Senor Quezon had been ill for several months in California. He has in the meantime proceeded to Manila.

Trebitsch Lincoln in China Enroute to Tibet

Trebitsch Lincoln, former Member of the British House of Commons and internationally known for his world-wide political activities, recently passed through Shanghai, and is now in Tientsin. A representative of the *N. C. Star* interviewed Mr. Lincoln about his present plans. He stated that he is on his way to Tibet and as the British Government refused his repeated requests to travel there openly, he will once more try to reach his destination, but this time clandestinely.

(*Continued from page 387*)

each place? Surely such a method would eliminate many of the casualties, might help eliminate many of the misfits on the field who have declined to become casualties, and might also go a long way toward removing some of the other disillusioning factors of missionary service as a first-termer finds it today.

At any rate the writer believes these are things everyone at home ought to be thinking about, along with the first-termer. The missionary candidate should know these things, because they concern his own future usefulness and happiness in the field, and if these problems are not solved before he goes out, he must be willing to help solve them in his own mission and denomination. The boards should carefully note these observations of first-termers, because they relate themselves vitally to the future of foreign missions of whatever sort. And finally, church people in general should know what the young missionary's experiences are, for it is the "home folks" who provide the funds, the prayers and the enthusiasm for our mighty enterprise, and they should know how we are taking the commission they have given us in Christ's name.

Announcing - - - -

INCREASED ADVERTISING RATES FOR THE CHINA WEEKLY REVIEW

Effective January 1st, 1929, the advertising rates of the CHINA WEEKLY REVIEW will be:

SPACE	Once	4 insertions One Month	12 insertions Three Months	25 insertions Six Months	52 insertions One Year
One Page.....	$55.00	$209.00	$594.00	$1,122.00	$2,112.00
Half Page.....	30.00	114.00	324.00	612.00	1,152.00
Quarter Page.....	20.00	76.00	216.00	408.00	768.00

This is the first time since 1923 that the CHINA WEEKLY REVIEW has increased the cost of its advertising columns. The advance is based on the following expansion of circulation:

August, 1923 ... ... 2, 145 (weekly)
August, 1928 ... ... 4, 550 (weekly)

Thus, during a five year period, our readers have become more than twice as numerous and this despite an increase in subscription rates of from $10 to $12 ($7.50 to $10 Gold abroad) and an increase in the price of news-stand copies of from 20 to 40 cents each.

THE CHINA WEEKLY REVIEW IS THE ONLY FOREIGN PUBLICATION issued in the English language WITH A NATIONAL CIRCULATION IN CHINA! It is carefully followed by practically all the educated, politically and commercially influencial Chinese, as well as by foreigners most interested in the social, economic and industrial progress of this nation. It is read and frequently quoted throughout the world by those vitally concerned with China's past, present and future.

No other English language newspaper reaches a group of readers of such immense significance to Chinese and foreign business seeking the patronage of Chinese of the better class! No other journal offers Chinese merchants such a desirable means of establishing profitable commercial contacts with the more important foreigners and the enterprise they represent in China!

Until January 1st, 1929, present contracts may be reestablished and new contracts may be arranged at the prevailing advantageous rates.

THE CHINA WEEKLY REVIEW

4 Ave. Edward VII
Shanghai

The Fifth Plenary Session of the Kuomintang

BY J. B. P.

The Central Executive Committee of the Kuomintang held the first meeting of the Fifth Plenary Session of the Party at Nanking on the morning of August 8, there being a quorum present. The meeting opened with the usual formalities of singing the national anthem, bowing before the portrait of the late Dr. Sun Yat-sen, observing three minutes of silence for heroes who gave their lives in the revolution, the reading of Dr. Sun's last will and testament and the taking of a group photograph. There were five major topics on the agenda for the opening session, three being of special importance, the fixing of the date for the interment of the remains of Dr. Sun Yat-sen in the new mausoleum at Nanking, the suspension of the rights and privileges of Gen. Cheng Chien as a member of the Central Executive Committee and the appointment of Miao Pin to the vacancy, and the fixing of the date for the National People's Convention. There was also a proposal for organizing an investigation committee.

Chang Ching-kiang, Prominent Member of the Central Supervisory Committee and of the Committee on Reconstruction of the Nationalist Government, Who Returned to Shanghai Last Week Owing to Differences with the Cantonese Members.

The Cantonese Members

The disturbing element at this meeting proved to be the same as that which threatened to disrupt the Fourth Plenary Session, in other words the attendance of the so-called Cantonese or Kwangtung members, the ultra-conservatives again raising objections to the attendance of the Canton members, their names being Mrs. Liao Chung-kai, Chen Shu-jen, Pan Yun-chan, Wang Lo-ping, Kuo Meng-yu, Chen Kung-po and Kan Nai-kwan. The first session of the Fifth Plenary meeting was scheduled for several days in advance of August 8, but was unable to meet owing to the non-attendance of these Cantonese members. Finally Gen. Chiang Kai-shek made a hurried trip to Shanghai and succeeded in inducing a sufficient number to go to Nanking to provide a quorum. The Fifth Plenary Conference thus opened under what appeared to be favorable auspices, but the favorable auspices were not lasting because trouble immediately developed at the opening meeting between the Cantonese and the so-called conservatives, the leaders of the conservative group being Chang Ching-kiang and Li Shih-cheng, the former being an influential member of the Central Supervisory Committee and the latter being concurrently chairman of the Peiping branch political council. According to reports appearing in the Chinese newspapers in Shanghai, both Chang Ching-kiang and Li Shih-cheng immediately following the first meeting, secretly boarded a train at Nanking and came to Shanghai. The Central Executive Committee still had a quorum with these members absent, but all realized that no successful meeting could be held without them.

Cause of the Trouble

According to a report issued by the *Kuo Wen* news agency on August 10, the trouble between the two groups was due to a suspicion on the part of the conservatives that the Cantonese members of the Committee were associated with Wang Ching-wei, former chairman of the Committee who is now supposed to be in France. Wang Ching-wei, who was closely associated with Dr. Sun Yat-sen when the Communist Party was in power in the Kuomintang was looked upon by some as a radical and by his enemies, the so-called Kwangsi group, had been accused of alleged complicity in the Labor-peasant uprising in Canton late last year. Shortly after that Mr. Wang went abroad and according to report is still in Paris although it has been rumored recently that he has returned to China. According to the *Kuo Wen* news agency reports, the "bone of contention between the two groups of the Nationalist central authorities, conservatives and extremists, has been the suspension of student movements and public activities of the youths of the country. The conservatives claim that the young men and women of the country should now discontinue their participation in public affairs and attend to the matter of their scholastic training." In other words, the conservatives claim that the time has come for enforcing discipline in the schools and for the older heads to assume direction of affairs.

The radical or liberal or extremist faction insisted on the other hand, that the Government should make use of the students in connection with the activities of the Kuomintang Party in the so-called popular movements. Then in addition the conservatives and radicals have split on the question of a continuance of the branch political councils, the conservatives claiming that owing to the size of the country and the lack of political experience, that these branches of the political council at Canton, Hankow, Kaifeng and Peiping, should be continued. The Cantonese members of the Committee, however, insist that these branch political councils will lead ultimately toward a development of "feudalism" and now that the country has been unified these branch councils should be abolished.

As a result of these controversies it was found impossible to hold the second meeting on August 10 as scheduled and it was postponed to Aug. 13 However, most of the leaders of the party and Government professed that the troubles would be smoothed away so that the conference might be permitted to complete its work. There has been one report which may or may not be of future significance, that is, the possibility of the formation of another political party, it being reported that Chen Kung-po has been working recently with that end in view, otherwise the formation of a new party which would "bring the Kuomintang back to the principles of the late leader Dr. Sun Yat-sen." The outcome of this movement remains to be seen. The Cantonese members again absented themselves from the final meeting but their absence did not prevent a quorum or the completion of the business of the Conference.

The Party and the Government

The problems which the Nationalist political leaders are experiencing in operating their present system of government was indicated in a memorandum submitted to one of the preliminary sessions of the Central Executive Committee on August 9 by General Chiang Kai-shek, a report of the memorandum which was circulated by the *Kuo Min* news agency being as follows:" As a means to avoid conflicts, those having military power should make a public avowal that, despite difference in political views, they shall never resort to the use of arms to fight one another. The National Army shall hereafter only be used for the defense of the country and suppression of bandits but shall never fight internal wars. If this principle is strictly adhered to, political differences among those in power will not develop into serious conflicts involving the whole country."

General Chiang further stated that there should be no direct interference by Party members with the executive officials of the Government. "Pursuant to the principle of Government by the Party," the memorandum continues, "the Nationalist Government is organized by the Kuomintang and, therefore, is not likely to come into conflict with the Party. This, however, is only true in theory, for, as a matter of fact, differences often develop between Government Authorities and Party members. But Party members, when dissatisfied with any branch of the national administration, should first advance their views in a friendly spirit in the expectation that it will be accepted. Failing this they may try the proper recourse through Party Headquarters. When such a measure again fails, pressure may be brought to bear upon the Central Executive Committee of the Party to reorganize the whole government. The important principle to be adhered to is that on no occasion shall Party members attempt directly to interfere with the administration of the Government."

As a measure to bring the Party closer to the people General Chiang urged strict prohibition of all those popular movements which are of no benefit to the people but tend to disturb public peace and order. It was pointed out that demonstrations, mass meetings and political strikes which are more likely to prove harmful than advantageous to the nation should be strictly prohibited.

The Work of the Conference

The Chinese newspapers reported that more than seventy proposals were submitted to the Central Executive Committee for consideration, the proposals coming from all parts of the country. In order to get these proposals into concrete form for action, a special committee was appointed, which made its report on August 10 regarding the major matters which should be considered, the recommendations being as follows,

1. Reorganization of the Central Political and Government Councils and definition of their respective functions.
2. Abolition of the different branches of the Political Council.
3. Abolition of the present University Council in favor of a Ministry of Education.
4. The relationship between the Party and the Government.
5. Convocation of a National Convention.
6. Limitation of popular movements.
7. Creation of Military Districts.

Owing to divergent opinions on these subjects which prevailed among the members of the Central Executive Committee, keen debates at the Session naturally developed.

The Final Results of the Session

As a result of the efforts of Gen. Chiang Kai-shek, the various questions which were responsible for deadlocking the early sessions of the Fifth Plenary Session were compromised to an extent which permitted the Conference to conclude its work on August 15 and 16, the general results being summarized as follows:

1—The Third National Congress of Kuomintang Delegates was scheduled to be held on January 1, 1929.

2—The Branch Political Councils in various parts of the country are to be abolished by the end of the present year and the articles in the provisional regulations of the Central Political Council are to be revised to the extent that all resolutions of the Branch Councils must be referred to the highest local governments of their respective prescribed areas for execution, the Branch Councils to be prohibited from issuing proclamations and orders in their own names or to appoint or remove officials in their respective areas.

3—That in accordance with Dr. Sun Yat-sen's program of national reconstruction, that five government councils be gradually established as follows: Legislative, Executive, Judicial, Examination and Supervisory. Under the Executive Council the following ministries are to be established, Interior, Foreign Affairs, Military, Finance, Education, Industry and Commerce, Communications, Agriculture and Mining, and the following Committees, Reconstruction, Planning, Overseas, Mongolian and Tibetan Affairs, General Military Staff, Supervision of Military Training and Military Advisory Board.

4—The question of reorganization of the Chinese Army was decided on the following basis: Military administration and orders must be unified and a system of conscription adopted; the size of the army must be reduced and annual military expenditures limited to one half the national revenues; military education must be unified and centralized and all military schools brought under the jurisdiction of the Central Government; disbanded troops must be converted into industrial laborers for colonization and reconstruction purposes; as part of the scheme of national defense the Chinese navy must be developed and there must also be developed an air force as well as coastal fortifications and naval stations.

5—The proposal for the unification of finance, determination of a national budget, demarcation of national and provincial revenues which was adopted at the National and Economic and Financial Conferences called by T. V. Soong, Minister of Finance, were adopted. This includes the adjustment of taxation and the execution of economic and financial policies. The organization of a Budget Committee was authorized, and the adoption of a National Budget recommended for immediate adoption.

Established 1901

Tuck Chang & Co.

Jewellers

67 Broadway

Kiangnan Dock & Engineering Works

Engineers, Boilermakers and Shipbuilders

SHANGHAI

Telephone: C. 1676 & 1678

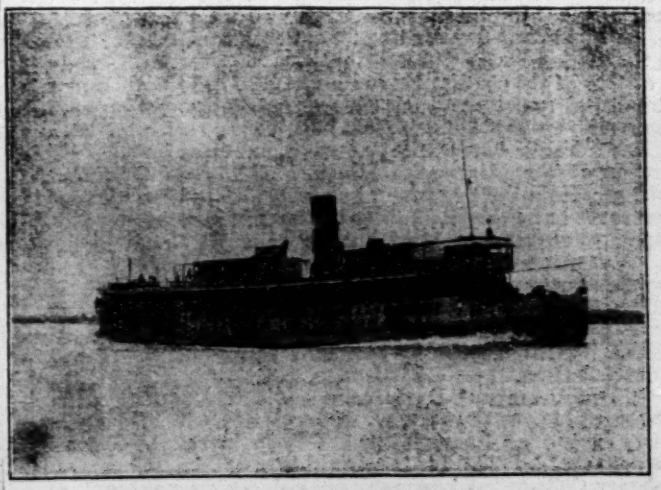
Cable Address: "Sinodock," Shanghai

Codes Used: A.B.C. 5th Edition, Bentley's, Lieber's, Standard, The Engineering 2nd Edition.

Two Dry Docks—Dimensions are

Name	Length on Blocks	Breadth		Depth on Sill
		Top	Bot.	
No. 1 Dock.....	545-ft.	70-ft.	62-ft.	20-ft.
No. 2 Dock.....	502- „	70- „	60- „	23- „

Sheerlegs to lift 75 tons.



Winter Upper Yangtse Steamer "Yung An"

On Trials—Speed 14.3 knots loaded.

153-ft. by 29-ft. by 8-ft. 6-ins. Draft 6-ft. 6-ins.

Men and Events

A son was born at Tsingtao August 14 to Mr. and Mrs. Max Friedman of China Motors, Shanghai.

W. F. Cawley of the Dollar Steamship line returned to Shanghai from the United States during the week.

C. J. Spiker, American Consul in Shanghai, was a passenger to the United States by the *President Cleveland* August 11.

J. V. Murray, assistant manager of the export department of the Texas Co., New York, arrived in Shanghai, August 14.

C. D. Meinhardt, American deputy at the Provisional Court, accompanied by Mrs. Meinhardt, is proceeding to Unzen, Japan, on a month's holiday.

Dr. C. P. Wang, pastor of a Methodist Episcopal church in Peiping, arrived in Shanghai during the week from a visit to the United States, and proceeded to his station.

Through express train service between Shanghai and Peiping was inaugurated Monday, August 13, the trains running over the Shanghai-Nanking, Lung-hai and Peiping-Hankow Railways.

L. H. Drakeford, of the Szechuan Salt Gabelle arrived in Shanghai recently by the Yangtze Rapids str. *Iping*, having made the trip from Chungking in the remarkably quick time of six-and a-half days.

The Shanghai French Municipality is erecting a new wireless station in the Route Frelupt. The building is already suitable to receive the material ordered from France. Two big iron masts are in process of construction.

Jack Mahoney, of the American Marines, prominent in Shanghai boxing circles, returned to the United States during the week and will retire from the service. He will assist his father, who is editor of a newspaper in California.

Henry F. Misselwitz, correspondent for the *New York Times*, J. B. Powell, correspondent for the *Chicago Tribune* and Geo. F. Shecklen, traffic manager for the Radio Corporation of America, have returned from a trip to Nanking.

The Chief Secretary of the Ministry of Industry, Commerce and Labor at Nanking has telegraphed to E. S. Cunningham, U. S. Consul General, that the date of re-registration of trade marks has been extended by two months, to October 18, 1928.

Hsia Chi-feng, former Chinese secretary to the League of Nations, departed from Shanghai recently for the United States where he will study publicity methods in that country with the view of inaugurating them in China. He also intends to visit Europe.

C. C. Elrod, a former employee of the Shanghai Municipal Council, was sentenced by Judge Purdy at the U. S. Court for China August 13 to two years imprisonment for attempting to murder his wife. Judge Purdy intimated that a parole was possible after eight months.

Mr. and Mrs. Fred Kelly, of Manila, arrived in Shanghai August 11 on a short tour of China. Mr. Kelly is an aviator in the United States Army and following his visit in China, he and his wife will leave for the United States. Mr. Kelly has been assigned to Crissey Field, California.

A Fox movie film entitled "Fazil" at present being shown in the United States will probably soon be sent to China. It is a story of the conflict between Oriental traditions and the Occidental racial customs, with its inevitable conclusion. It deals with an Arabian prince and his Parisian wife.

Dr. Yang Kuang-Sheng, division chief of the Press Bureau of the Nationalist Ministry of Foreign Affairs, has returned from Peiping where he assisted in the liquidation of the Bureau of Foreign affairs and the transfer of documents and papers to the new Ministry of Foreign Affairs at Nanking.

A dinner was given at the Governor's residence at Tsingtao, Sunday evening, August 6 in honor of Mrs. Bristol, wife of the Admiral, and the U. S. Navy. Some ninety guests were present. The hosts were Director General and Mrs. Chao Chi assisted by the Department Chiefs of the Tsingtao Administration.

Colonel Henry C. Davis, commanding officer of the Fourth Regiment Marine Corps, now in service in China, completed thirty years of commissioned service in the U. S. Marine Corps, July 12, 1928. He is a graduate of the Pennsylvania Military College. A biography of Col. Davis appeared in a recent issue of *Walla Walla*, issued weekly by the the Fourth Regiment, U. S. M. C.

Dr. F. Otte, who several years ago was assistant Chinese secretary at the Inspectorate General of Customs, and later Professor of Business Economics at the National University, in Peiping, was recently offered a similar position at the Canton University. Dr. Otte, who is at present serving on the scientific staff of the Board of Statistics at Berlin, has declined the offer owing to ill-health.

The Whangpoo Conservancy Board, which hitherto has been under the direct control of the Central Government, has been transferred to the Shanghai and Woosung Municipality for control, both the Borad and its activities being within the jurisdiction of the authorities of Greater Shanghai. It is believed that a Chinese is soon to be appointed Associate Chief Engineer to Dr. Herbert Chatley.

Word has been received here of the marriage of Wilbur Burton and Miss Grace E. Simons, both former residents of China, in Atlanta, Georgia, on July 9. Miss Simons, whose home is in Chicago, was formerly engaged in secretarial work in the American Legation in Peiping. Mr. Burton spent two years in newspaper work in China, serving for a time with the Nationalist News Agency. He is now an editor on the staff of the southern division of the *Associated Press* at Atlanta, Ga.

(*Continued from page 384*)

discount about 90 per cent. of China news, figures, and everything else, because we know how hard it is to run these things down to their last analysis, and authenticate them. Most of the terrible things you read about China a year ago never happened. They were reported to have happened.

Violence and Conciliation

"This unfortunate situation will undoubtedly clear with the coming of a better day politically. How soon that better political day is coming depends a good deal more on us than it does on the Chinese. They are determined to the last man that foreign oppression and exploitation of them has got to cease. Inclined traditionally as they are to the teaching of their sages that whenever a man resorts to force he admits by that very fact that he hasn't any other case, they have hoped that they might get justice and fair dealing by pacific means. That patience broke down a year ago in various parts of the country and there was violence, and for the first time most Western governments showed an inclination to be conciliatory. Backed by informal assurances of our governments that treaty revisions would be undertaken if terrorism ceased, the Chinese Moderates succeeded in driving the Radicals from power, but now that more peaceful relations between the Chinese and Western nationals have been restored, our governments begin to hedge and to fall back upon the old formula that they will act as soon as they have a stable government with which to deal."

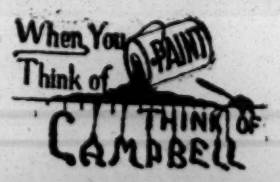
The supremely important fact for the whole world, we are told, is that the once apathetic giant is now awake, and every phase of Chinese life is feeling the touch of modernization. Continuing:

"We are in the midst of a metamorphosis that is far-reaching and deep-seated in the life of the Chinese people, and however slow the process may seem to petulant Westerners, who forget the long and painful stages that we went through getting to our present state, the pace to the mass of the Chinese seems dizzily swift. In reality they are compressing into decades stages of development upon which we took half centuries and centuries. You have at least a half-dozen simultaneous revolutions going on in China to-day, in addition to the political overcurrent, and the marvel is that there isn't more turmoil and confusion, instead of what we have got. But so quietly is this metamorphosis of Chinese life taking place, and so little attention does it get in our dispatches, that the average American seems to me to have a conception of China that is at least a third of a century out of date.

"These revolutions, these changes, are the important and significant thing in China and not the confusion and turmoil that attends them. They are the conspicuous thing, however. Hence the best reporting concerning China must inevitably be analytical rather than narrative, and it isn't surprising that one hears rumors of publishers who are restless, complaining that their China correspondents are sending them essays instead of news dispatches.

True Picture Has Not Reached America

"May I point this important fact out to you: The British have been in great difficulties, due to the partial alienation of Chinese good-will, and because so much of our American news comes to us through the mediation of British channels, the cable dispatches have reflected the situation which confronts the British, the difficulties which they are having and have had. We do not get a true picture of the situation which confronts American interests in China."



H. B. Campbell

46 Szechuen Road,
Shanghai.

Who's Who in China

Mr. Miao Ping
繆 斌

Mr. Miao Ping was born in 1899 in Wusih, Kiangsu province, where he received his early education. After a course at Nantsing Academy he entered Nanyang University for scientific training. After graduation he commenced his life career as a radio instructor in Whangpoo Military Academy at Canton, and in the course of his teaching he studied military affairs. Being an ardent disciple of Dr. Sun Yat-sen, he strongly espoused the cause of the Kuomintang as against the Communist party in the time of the "Red Terror." In January 1825 he was selected as a candidate of the Central Executive Committee of the Kuomintang. At the time of the "first eastern campaign," he was appointed commissary of the first regiment of the Whangpoo Army, and did excellent work in assisting to subdue the rebels in the East river district of Kwangtung. In the "second eastern campaign" he was appointed commissary of the third division of the Whangpoo army. When the northern expedition was started he was made chief of the political bureau of the reserve regiments. In the spring of 1927 he was appointed superintendent of the military commissariat of the eastern branch and financial commissioner of Kiangsu. In the autumn he was appointed a member of the Kiangsu provincial executive council and also head of the department of organization. In the spring of 1928 he occupied the important positions of superintendent of military, naval and aerial commissariat of both the Central Military Committee and the Generalissimo's headquarters. At present Mr. Miao is a member of the Central Executive Committee of the Kuomintang party of the Kiangsu provincial council, a special member of the committee for drafting laws governing military and naval forces, and superintendent of military, naval and aerial commissariat of the Central Military Committee.

Eastern Telegraph Company Shows Earnings of £3,306,909

The Eastern Telegraph Company, Ltd., according to the annual report which appeared in the *Manchester Guardian* on July 25 showed a profit for the past year amounting to £3,306,909, which after payment of all taxes and other assessments permitted a dividend of 10 percent on the common stock. The Eastern Telegraph Company was first formed in 1872 and has thus completed ninety-seven years of service

MR. EXPORTER: You can save Days & Dollars via Seattle!

IN these days of keen competition days and dollars are of paramount importance. Exporters, to compete in the great American markets, must take advantage of every shipping economy and sales advantage available to them.

You cannot afford to ignore the advantages which the Seattle short route affords! One to seven days less insurance and interest charges; one to seven days quicker deliveries; low handling, insurance, and storage rates, are but a few.

Comparison of transpacific routes will quickly convince you that you can save days and dollars by routing via Seattle.

Write Traffic Department for full particulars

The PORT of SEATTLE
GATEWAY TO AMERICAN MARKETS

HANKOW HERALD

A

DAILY NEWSPAPER

OF PROVEN WORTH

Supplied to all Hankow, and hundreds of homes throughout the entire Yangtze Valley.

Write for subscription and advertising rates.

Cable Address;—"Herald," Hankow.

Japanese News Reports on Chinese Situation

The following news reports are summaries of news messages dealing with the Chinese political situation and Japanese activitis in China which are distributed to the Chinese and foreign press in China by the Japanese semi-official Toho News Service:

Tokyo, August 8.—Consul General Yada at Shanghai instructed to return home to receive instructions regarding treaty revision and settling of Nanking incident with China.

Tokyo, August 8.—Cabinet meeting makes no decision on compromise regarding Manchuria pending news of results of interview between Baron Hayashi and General Chang Hsueh-liang.

Tsingtao, August 8.—Chinese with jewelry arrived from Tientsin identified as participants in recent rifling of Manchu royal tombs.

Nanking, August 8.—Tan Yen-kai in interview referring to his petition to fifth plenary session states that China is opposed to any international conference on China's customs tariff, and should secure her autonomy by other means.

Tokyo, August 9.—K. Mori, Parliamentary Under-Secretary, after a conclave with Premier Tanaka and Mr. Yoshida, Vice-Minister of Foreign Affairs, in interview states that compromise between Mukden and Nanking "is not impossible."

Peiping, August 8.—Several hundred wounded Nationalist soldiers being sent back daily from Lanho to Peiping, after conflict with Chihli-Shantung troops, latter offering stubborn resistance.

Mukden, August 8.—Baron Hayashi and Mr. Hayashi (Consul General) are entertained at banquet in generalissimo's yamen by Chang Hsueh-liang.

Peiping, August 9.—Delegate from Tutung Tang of Jehol here confers with Nationalist leaders on terms of peace.

Peiping, August 9.—Chiang Kai-shek telegraphs Mayor of Peiping that popular movements should henceforth be strictly prohibited.

Tokyo, August 10.—Minseito (Opposition) party keeping close watch on Tanaka government in view of developments in China.

Tsingtao, August 9.—Lieut. Minami of General Staff after inspection tour along Shantung railway states present is not opportune time for withdrawal of Japanese contingents.

Mukden, August 9.—Chang Hsueh-liang makes report at meeting of Peace Preservation Committee which is reported to have decided on a compromise with Nanking.

Tokyo, August 10.—Premier Tanaka at round table meeting of Seiyukai repeats denial that Japanese government had "warned" Chang Hsueh-liang, also states that as "the three Eastern provinces being without doubt an integral part of the Chinese territory any oustanding problems involving that territory naturally should be settled through diplomatic procedure."

Peiping, August 10.—Chinese printing employees of Japanese owned English language paper *North China Standard* go on strike as protest against dismissal of worker, and sympathy strike also occurs on Japanese paper "*Peking Shimbun.*"

Mukden, August 9.—Interview between Chang Hsueh-liang and the two Hayashis lasts two and a half hours, the Japanese delegates "frankly telling General Chang that as far as Japan is concerned she would merely follow her already established policy towards Manchuria."

Tokyo, August 9.—Premier Tanaka at Seiyukai round table conference explains China situation and it is reported party decided to approve present diplomatic policy of the Japanese government towards China.

Tokyo, August 10– Premier Tanaka receives Cabinet Ministers and exchanges views re Japanese Government's third Manifesto on Chinese affairs, being fundamentally the same as First and Second.

Tokyo, August 11—Conference of Japanese Consuls in Manchuria to be held in Mukden on 20th.

Peiping, August 11—General Tan Wen-hu is examined by Nationalists re excavation of Tombs of Manchu Royal Family.

Tokyo, August 11—Dr. C. T. Wang is entertained by Premier Tanaka and expresses hopes for friendly relations between countries.

Peiping, August 11—Mr. Yoshizawa, Japanese Minister to Peiping, expresses views on Sino-Japanese Treaty to representative of *Toho News* stating Nanking, Hankow, Tsinan incidents must be settled first before negotiations on treaty can be started.

Tokyo, August 11—The Minseito, (apposition,) made public a statement refuting attitude of Government in diplomatic policy towards China. Seiyukai opposes Minseito statement, stating it is harmful to national opinion.

Tokyo, August 11—South-American Colonization Comdany organized and Mr. Hachiro Fukuhara leaves to take post as Director of new company.

Tokyo, August 12—Viscount Toshisada Mayeda becomes Managing Director of new High-seas Fishing concern with capital of Yen 2,500,000.

Tokyo, August 12—Government decides to establish an Economic Investigation Commission at Cabinet Meeting to be held on August 15.

Tokyo, August 12—Vice Minister of Finance with President of Bank of Japan and Director of Bureau of Economics decide to absorb idle funds by placing bonds on market to value of Yen 100,000,000.

Tokyo, August 13—Minseito decides to have meeting of M.P.s to arouse national opinion re Tanaka Cabinet's China policy and discuss measures to stabilize political situation in country.

Tientsin, August 13—Peiho Conservancy Bureau devises emergency relief measure for dredging of Peiho River.

Tsinan, August 12—Several officers of 8th army shot for disobeying orders and mutinied soldiers disarmed.

Tokyo, August 13—New Japanese radiograph tested by Ministry of Communications successful over distance of 270 miles.

Tokyo, August 13—Vice Chief of General Staff, General Minami, returns to Japan to discuss plans of withdrawal of part of contingent in Shantung.

Nanking, August 13—Question of abrogation of political councils at Canton, Hankow, Taiyuan and Peiping to be settled at 3rd National Conference in future. General Feng remains in Nanking to attend Military Reorganization Committee Conference for deciding measures to place 2nd Group Army under control of Central Government.

Tokyo, August 14.—Foreign Office spokesman declares Japan is not in a position to accept China's request for the opening of negotiations unless the latter recognizes the validity of the existing Sino-Japanese treaty.

Tokyo, August 14.—On the ground of ill-health Chang Hsueh-liang intimates his intention to hand over his office as Commander-in-chief of the Three Eastern provinces to the Peace Preservation Committee.

Mukden, August 13.—Although apparently dropped, in reality the movement towards compromise between Nanking and Mukden is making progress and it will not be long before the Nationalist flag will be hoisted throughout the Three Eastern provinces.

Tokyo, August 14.—Five companies of Japanese troops in North China ordered to return to Japan.

Tokyo, August 15.—Jotaro Yamamoto, president of South Manchuria railway, and Mr. Mituohi, Minister of Finance, discuss projected readjustment of various enterprises in the area attached to the South Manchuria railway. As regards a loan to the Three Eastern provinces, Mr. Yamamoto stated to newspaper men that such was entirely out of the question, and at any rate the Government should not have anything to do with it.

Mukden, August 14.—Petitions for immediate realization of compromise between Mukden and decisions in favor of anti-Japanese movement are to be brought up before the Peace Preservation Committee, which, it appears will sanction the petition and decisions with the object of restraining the firm attitude of Japan.

Peiping, August 15.—American explorers from Mongolia arrive here by motor car.

Tokyo, August 15.—Ministry of Finance reported to have decided to devise countermeasures in view of continual fall in exchange rate.

From the Chinese Press

(News items pertaining to Chinese politics and general affairs appearing under this heading, are taken chiefly from the daily reports of the Kuo Wen (independent), Kuo Min (Nanking official), Ta Chung (Kuominchun) and Toho (Japanese) news agencies, and from translations of articles and dispatches appearing in the local Chinese press).

Thursday, August 9--M. de Kauffman, Danish Minister arrives at Nanking and, being the first diplomat to call under new regime, is lavishly entertained by Chinese officials. Dr. C. T. Wang entertaining guest at dinner attended by leading Chinese diplomats and generals.—Dr. H. H. Kung calls attention of Chinese merchants to necessity of stabilizing value of native products.—Wunsz King suggests to Shanghai Municipality authorities advisability of closing greyhound racing establishments, as their gambling is harmful to society.—General Yen Hsi-shan telegraphs to Nanking that he has assumed chairmanship of Tiayuan division of C. P. C.—Peiping generals report that Chang Hsueh-liang expresses willingness to obey Nationalist Government, but awaits removal of obstacles before openly declaring his allegiance.—Deputies from Inner Mongolia expected to come to Nanking to attend 5th plenary session.—Shanghai Women's Association petitions authorities for abolition of child slavery and early marriages.—As result of negotiations between Shanghai Garrison Commander and Consular authorities all barbed wire barricades between Chinese and foreign areas at Shanghai are to be removed within a month. —Yen Hsi-shan announces abolition of all field commanders except that General Shang Chen of first route army will remain to assist in suppressing Chihli-Shantung soldiers within great wall.—Yen Hsi-shan orders suspension of work in Taiyuan arsenal which is to be converted into an industrial factory.—Government Council at Peiping opens Summer, Winter and Presidential places to public.—Japanese troops are reported to be hunting Chinese relics everywhere along the Shantung railway, among the articles taken being two stone Buddhas and tablets from temple at Lintze, near Tsinan.—General Ho Ying-ching submits proposal to fifth plenary session advocating compulsory education throughout the country.—Commander-in-Chief Chiang Kai-shek at inaugural ceremony of fifth plenary session (August 8) makes passionate appeal to Central Executive Committee to carry out the principles and policies of the late Dr. Sun Yat-sen and to loyally fulfill the mission of the National revolution; date for removal of remains from Peiping to mausoleum at Nanking fixed for January 1, 1929. Second Special Committee at Nanking prepares resolution defining definitely the functions and duties of the Central Political Council.—Chiang Kai-shek issues memorandum aiming at coordination between the Party and the Government, suggesting that as a means to avoid conflict, those having military power should publicly avow that despite differences in political views, they will not resort to use of arms to fight one another.—Belgian charge d'affairs at Peiping announced to be proceeding to Nanking in near future.

Friday, August 10—Kiangsi government having promised to contribute $12,000,000 annually towards completion of Canton-Hankow Railway, Governor Huang expresses hope Kwangtung, Hunan and Hupeh will contribute equal amount. Gen. Chien Ta-chun formally assumes post of Commander of 3rd division of 1st group army at Lunghua.—Announcement made of signing previous evening of agreement between Great Britain and China, settling the Nanking incident, at same time Britain also agreeing with China to enter into negotiations with China for treaty revision (Agreement signed at Shanghai by Dr. C. T. Wang, Minister for Foreign Affairs and Sidney Barton, British Consul General.)—Y. L. Tong, Vice-Minister for Foreign Affairs appointed to negotiate in Nanking September 3 with Portugal's representative regarding the conclusion of a new treaty between the two countries on basis of full equality.—Two Swiss aviators, Kazer and Isloof, granted permission to land at Tangku and Shanghai, when they make their forthcoming flight to Asia.—Second meeting of C. E. C. scheduled for to-day postponed.--Feng Yu-hsiang replies to Central Executive Committee accepting invitation to attend meetings of fifth plenary session.—Women's Association of Shanghai and Kiangsu formulate demands for presentation at fifth plenary session.—Cuba's recognition of Nationalist government is announced.—French Consul General at Shanghai receives instructions from Paris to negotiate new treaty with Nationalists.—Chief of the Asiatic Bureau of Italian Foreign Ministry agrees to begin treaty revision negotiations in October.—Tan Yen-kai and Tsai Yuen-pai in memorandum to 5th plenary session urge abrogation of all unequal treaties, also urging abolition of consular jurisdiction and adoption of uncompromising policy to attain that

(*Continued on page 407*)

The Far Eastern Bank ("Dalbank")

Established in Harbin

HEAD OFFICE: HARBIN.

BRANCHES: Shanghai, Tientsin, Kalgan, Manchuli and Hailar.

CORRESPONDENTS: In U.S.S.R.—The State Bank of U.S.S.R. (Gosbank) and others.

In London: The Bank for Russian Trade Ltd., The Equitable Trust Company of New York.

In New York: The Equitable Trust Company of New York, The Chase National Bank of the City of New York.

In Germany: Deutsche Bank.

In Austria: Oesterreichische Credit Anstalt fur Handel und Gewerbe.

In Mongolia: The Commercial and Industrial Bank of Mongolia (Mongolbank)

The Bank has correspondents also in France, Latvia, Esthonia, Poland, Lithuania, Finland, Turkey, Bulgaria, Czecho-Slovakia, Rumania and Yugoslavia.

Shanghai Branch: 29-A, Szechuen Road, S. Y. Sheng Building.

Tel. C. { 4746 Manager
4747 Exchange Dept.
2865 General Office.

Every description of banking business transacted

STANDARD OIL CO. OF NEW YORK

26 BROADWAY **NEW YORK**

The Mark of Quality

Socony Products

Illuminating Oils
Gasoline and Motor Spirits
Asphaltums, Binders and Road Oils
Lubricating Oils and Greases
Fuel Oil
Paraffine Wax and Candles
Lamps, Stoves and Heaters

Branch Offices in the Principal Cities of

Japan	Philippine Islands	Turkey
China	Straits Settlements	Syria
Indo-China	Netherlands India	Bulgaria
Siam	South Africa	Greece
India	Australia	Jugoslavia

New Books of Interest in the Far East

An Apostle of Simplicity and Beauty

Rambles With Anatole France by Sandor Kemeri (Mme. Georges Benoni) Translated from the Hungarian by Emil Lengyel. London: Ernest Benn, Limited. 1927,

Many books are written about France, writer, but never before had we a book describing France, man. The author of this rather remarkable book is a Hungarian writer Sandor Kemeri (Mme Benoni), who was the closest personal friend of Anatole France at the setting of his life. Only to her, as before to another friend—Mme. Arman de Caillavet, he opened his very soul, and every evening Mme. Benoni devotingly wrote in her diary every word of the Master, which she could remember. She not only described what France said, but when and how; she lovingly described the Master's figure, face and hands; what and how he ate, what writers, sculptors, painters, peoples and places he liked and hated etc., etc.

After the very first pages the figure of the Master arises before you—tall and slim, with kind eyes on a pale face, and smile seen under the long, white moustaches, sitting in his cabinet and dictating a new work that will stir the world, or playing in a garden with children, or talking in a restaurant, shop or street with unknown people. People always clung to him, as if they knew that he was a friend of everybody and everyone. "Those who met him", said the author, "experienced his extraordinary faculty to feel the joys and worries of others, to help and encourage. He himself suffered seeing the sufferings of others. In all his life he remained faithful to the two Muses of his youth: Pity, first and foremost and then Irony." But more than conversations, France enjoyed looking at artistic objects, whether they were pictures, or statues, or ancient churches. He knew the biography of every famous painter, writer, sculptor or architect; he knew all the legends about all the artistic objects and their full history, and the parts of the book, which interestingly deal with France's talks on these themes, are perhaps the most parts. Here is a fine example of the numerous critics on painters: France called Rembrandt a "good cook", but added: "I call him so because I like his art and not because I lack respect for him. He is a magician, almost omniscient. Everything he tries his brush on becomes a part of himself. He recreates not only the life and soul of his models but their exterior as well. He recreates the texture of their bones, their skin, muscles and veins. He infuses into their blood a mysterious fluid which makes the flaring up and calming down of their temperaments like the brewing and abating of storms. The portraits of Rembrandt's old men are more than biographies; they are the history of their epoch, nay, the history of humanity. I call him "good cook" because he made palatable food out of the raw material of human experience."

France was very religious, but his religion was art. He places art above everything. He says that the world without art is nothing. He called beauty truth, because the former springs from the latter, and added that even if he was to admit that beauty and truth are not synonymous terms, he would give preference to beauty, because truth in her keeping is more glorious than truth pure and simple. "Lacking the appreciation of beauty", he said, "we lack the knowledge of the truth of the past, of the present, of the future. It is beauty that teaches us to live."

France believed in antiquity and in his mission as an apostle of that saturation with beauty, which, he could not help thinking, only few men ever attained. Mme. Benoni says: "He would have liked to wander all over the globe preaching the gospel of a new faith which makes the believer good without the imposition of moral compulsion and the fear of post-mortem punishment, if proper care is taken and proper environment provided.

France was a born teacher and preacher. Teaching came from his mouth so naturally that one gained knowledge unaware of the fact that it was through someone else. He generously gave from the treasures of his vast knowledge. When told what pleasure he gave to his audience, by his talks, he always modestly replied: "By giving pleasure to others we are acting selfishly. We get repaid with compound interest, for whatever we give."

France was an apostle of simplicity. The author says: "He delighted in describing the things he liked as magnificently simple, and it has seemed to me very often that he was a creator of that grandiose simplicity in literature which has captivated the world." His entire nature radiated simplicity which was in harmony with his wisdom and immense knowledge.

Sometimes Anatole France was pessimistic; he said on one occasion to Mme. Benoni—"The price of immortality is high. Those who attain it, and the number is indeed small, pass through hell and purgatory before they reach what they think is their paradise to find it full of deceptions and cruel disappointments." On another occasion, during their rambles in Italy, he said: "Wherever one goes monuments and tombstones, memorial tablets and slabs, announce to us that man has always been prosecuting and killing man for his thoughts, his convictions, for the things he loved and for the things he disliked, for his loyalty, and for his purest sentiments. On such occasions I always begin to despair of humanity. I am afraid of a new cruel war. I do not think it can be avoided unless we can count on the wisdom of man. But is there really any wisdom in man when he acts collectively?" The author says that France was a socialist, and that he admired Lenin. But after these quite unsocialistic words I doubt her statement. Perhaps he admired Lenin as he admired every revolutionary leader, or every strong nature.

Concluding this rather uncomplete review, I may say that it is not very often that one finds such an unusually interesting book to read.

MARK GINSBOURG.

Britain's Great Newspaper Genius

Lord Northcliffe. A Study, by R. Macnair Wilson. London: Ernest Benn, Limited. 1927.

"Lord Northclifie's biography is the history of the British Nation in the modern times", said one well known journalist; therefore one interested in the history of the British imperialism should read this remarkable book. Beginning with petty reporter's work in provincial papers he became in his forties the owner of the greatest English papers, including the *Daily Mail* and *Times*. His policy had always two aims in view, namely; advance of British imperialism and extermination of its internal and external enemies. Northcliffe's press was always antagonistic to Germany, as the greatest menace to English interests, and during the Great War, it was owing to Northcliffe's efforts that Kitchener was replaced by a joint ministry, with Lloyd George as the head. It is also interesting to note that the project of the League of Nations appeared in Northcliffe's papers before the official projects. Lord Northcliffe died after and as a consequence of his journey to Australia, where he preached the idea of united British Empire.

The biography is written very lively style, facts being presented skiltully. The titles of the chapters can without exaggeration be called ideal.

M. G——G.

President Wilson's Brain Child in Action

The Eighth Year-book of the League of Nations. Boston: World's Peace Foundation.

Although America through the irony of Fate is not a member of the League, Americans generally take a great interest in its proceedings. The League's activities include vital financial, economic and political matters, among the fields which it covers being such as promoting efficient health services, education, journalism, the protection of women, child welfare, the relief of refugees, the control of the traffic in narcotics, the improvement of communications, etc. This is a record of the League's work in 1927 arranged in a succinct and instructive form.

Nepal Desires to Rejoin China, Says Visitor

A student, named Kade, of Nepal (a small country on the south-west of Tibet) arrived in Shanghai recently and was inteviewed by the *Chun Hwa* news agency. Being asked as to present conditions in Nepal, he said that all the Nepalists anxiously desired to unite with China to fight against British imperialism. "Formerly we were affiliated with China," said he, "but owing to the corruption of the Manchu Government, we have been left unprotected and independent till now. Our Government, however, still maintains friendly relations with China and therefore students were sent to China in 1920 to study the conditions of our former mother country. We hope the Nationalist Government will pay much attention to Tibet and the small neighbor countries. We are ready to affiliate with you once more." This Nepalist later proceeded to Peiping to have an interview of the Panchan Lama.

(Continued from page 405)

end.—National Communications conference assembles at Nanking under chairmanship of Wang Peh-chun Minister of Communications. Minister Wang states reconstruction and communication facilities in country most important, namely the completion of Canton-Hankow Railway, repairs and construction of Shanghai-Hangchow-Ningpo Railway and Peiping-Suiyuan, and extension of Lunghai, improving transportation facilities on Yangtsze. He states further that control of communications must be centralized and system of auditing and accounting of communications funds must be instituted, exorbitant taxation should be avoided and Central Authorities should give full protection to Railways. General Li Lieh-chun, speaking for Central Party Headquarters, expresses confidence that Conference will have good result.

Saturday, August 11—Chiang Kai-shek telegraphs General Li Ti-ping, Chairman Hunan Provincal Government, and requests measures to utilize Hunanese disbanded troops in productive labor.—Chang Hsueh-liang pledges to undertake disbanding of Chihli-Shantung troops.—Anti-Japanese Association of Overseas Chinese in Peru remits $39,000 for aviation in China.—National Anti-Japanese Association advocates drastic measures for punishment of merchants selling Japanese goods.—Special Municipality of Shanghai again lodges protest to Bureau of Foreign Affairs against greyhound-racing.—Chairman of Kansu Provincial Government sends telegram to Peiping Division of Central Political Council asking help in relief of people of Kansu.—Ministry of Communicatiions announces through express trains between Shanghai and Peiping.--Newspaper organizations in Shanghai submit memorandum to National Communications Conference asking for better facilities for transmission of news and delivery of newspapers and periodicals.—5th Plenary Session discusses (1) Popular movements (2) Training and employment of youths, participants of Revolution (3) Drafting a new Constitutional Law (4) Establishment of Sun's "five powers system of government".—Baron Hayashi delivers Japanese ultimatum to Chang Hsueh-liang, following Young Chang's refusal to heed warning of Japan.—Resolution is passed at the third Meeting of 5th Plenary session for early promulgation of Provisional Constitution to be enforced during period of Political Tutelage; at previous meetings, resolutions were passed to study question of mass movements, enforcement of Party Control of Government and Army. Provisional Constitution to be promulgated, gradual establishment of different Councils, and regulating relationship between Party Organs and Government Organs.—First General Session of Communications Conference passes regulations governing procedure of Conference and appointment of ten committees to study proposals.—Feng Yu-hsiang submits proposal to 5th Plenary Session urging establishment of agricultural banks throughout China to make loans to peasantry and an issue of $3,000,000 domestic bonds for work on Yungting River, establishment of cotton and woolen factories, disbanded troops to be employed to build houses and Lunghai and Canton-Hankow Railways to be completed immediately.

Monday, August 13—General Ho Chi-kung, Mayor of Municipality of Peiping, instructs Commissioner of Bureau of Social Affairs to investigate living conditions of people for relief of unemployment.—General Yen Hsi-shan recuperating in Fuyen village.—General Hu Chung-tao, Director of Bandit Suppression, requests representatives from High Court be sent to various districts to inspect judicial administrations.—Special Municipality of Peiping takes control of Summer and Winter Palaces, Temple of Heaven, Chingyi and Yuanming Parks.—M. Guillaume, Belgian Charge d'Affairs, leaves for Shanghai to negotiate completion of Sino-Belgian Treaty.—Second Group Army disbanded and Military Transportation abolished.—Contributions from Overseas Chinese to Nationalists amount to $375,000 during week. Commissioner of Foreign Affairs Wunsz King instructs Whangpoo River Conservancy Board to keep Shanghai informed of progress of conservancy work.—Chinese expelled by Siamese authorities following protest by Japanese Consul at Bangkok against anti-Japanese boycott.—Tension prevails in Mukden Government circles owing to renewed attempts of Baron Hayashi to block plan of Chang to accept Nationalist rule.—Protest made against murder of Red Cross Officers and patients in Tsinan by Japanese to International Red Cross Association of League of Nations.—Committee on Systematisation and Regulation of Communications Contracts at Nanking calls for the nullification of the Sino-Japanese wireless agreement of 1908, signed by the former Peiping Ministry of Navy and Suzuki and Co. of Japan, and similar contract signed by former Peiping Ministry of Communications with Federal Radio Corporation—In memorandum to fifth plenary session at Nanking, Law Codification Bureau recommends the immediate formation

Publications of the

World Peace Foundation

On sale at the office of

The China Weekly Review

—China Today: Political—a booklet, which with appendix, contains more than 500 pages and covers the Nationalist Movement with a reference to the political organization before and since 1911, civil conflicts since 1916, the Nationalist Movement, Revolt Against External Influences, attitude of the United States, etc..... By Dr. Stanley K. Hornbeck, former professor of Oriental History at Harvard and now chief of the Far Eastern Bureau of the State Department...Price 30 ¢
(In cardboard cover)..... „ $1.00

—Eighth Yearbook of the League of Nations, the record of 1927..... „ 30 ¢

—The World Court, 1922 to 1928, the Yearbook of the Permanent Court of International Justice. By Dr. Manley O. Hudson, professor of International Law at Harvard ..... „ 30 ¢

—American Neutrality and International Police, by Philip C. Jessup, Assistant Professor of International Law, Columbia University ..... „ 30 ¢

—The British Commonwealth of Nations, by A. Lawrence Lowell and D. Duncan Hall ..... „ 30 ¢

—Nicaragua and the United States, by Isaac Joslin Cox..... „ 30 ¢

In case copies of these books are desired in permanent cardboard binding the price is Mex. $2. Since there is only a limited number of copies on hand orders should be placed immediately. Send orders to the undersigned,

THE CHINA WEEKLY REVIEW

4 Avenue Edward VII

Shanghai.

of a Committee to draft a Provisional Constitution to be submitted to the third national congress of Kuomintang delegates.

Tuesday, August 14.—Committee meeting of National Communications Conference approves scheme for developing the China Merchants Steam Navigation Co. Plan proposed by Director General Chao recommends that Company be placed under government management.—Committee at Communications Conference at Nanking recommends the planning and construction of two trunk roads, one connecting Chekiang with Kiangsi and the other connecting Szechuen and Hupeh.—Fifth plenary session holds its final sittings at Nanking. Among resolutions passed are the following: T. V. Soong's proposals regarding finance are approved and Nationalist government is instructed to carry them out carefully; convocation of third national congress of Kuomintang delegates set for January 1, 1929; Legislative, executive, judicial, examination and supervisory councils to be gradually established; Under Supervisory Council, the various Ministries and Committees are to serve; Following fundamental principles adopted on question of military reorganization: (1) conscription to be gradually enforced, (2) military expenditure not to exceed half of national revenue, (3) military education to be unified, (4) disbanded troops to be used for reconstructive purpose, (5) air and navy forces to be developed; government councils to organize budget committee—As precautionary measure against disturbances Labor Reorganization Committee at Shanghai notifies unions strictly prohibiting strikes without prior reference to Committee.—Hunan Provincial Educational Conference decides to open public libraries and establish an Arts Institute.

U. S. Presidential Campaign

The Presidential campaign in the United States is warming up. The campaign is more and more resolving itself into a contest between the Wets, as sponsored by "Al" Smith, and the Drys, championed by Herbert Hoover. The most recent important development is that John Raskob, head of General Motors is managing the campaign for the Democratic candidate.

American Gold Bond Quotations

Name of Security	Coupon Rate %	Date of Maturity	Sale Price Aug. 8th	Sale Price Aug. 9th	Approx. Yield to Maturity % Aug. 9th.
Czecho Slovak Govt. Sinking Fund Loan...	8	Oct. 1, 1952	109	109	7.21
Republic Chile S.F. Loan	7	Nov. 1, 1942	102	101½	6.83
Argentine Government.. Ext. S.F. Loan.....	6	May. 1, 1960	99½	99⅜	6.04
Kingdom of Italy, Ext. S. F. Loan.....	7	Dec. 1, 1951	97⅞	98¼	7.16
Austrian S. F. G. Loan..	7	June 1, 1943	103⅝	103.⅝	6.62
Japanese Govt. (£).....	5	1907/1947	87¾	87½	6.12
German Govt. S. F. Loan	7	Oct. 15, 1949	106¾	105¾	6.41
Deutsche Renten Bank 1st Lien Farm Loan	7	Sept. 1, 1950	100	101¼	6.89
Saxon Public Works Inc. 1st Mtge. S. F. Loan ..	7	Feb. 1, 1945	100⅛	100⅛	6.95
German G.E.C.S.F. Loan	7	Jan. 15, 1945	103¾	104	6.60
Finnish Guaranteed Municipalities S. F. Loan...	6½	Oct. 1, 1954	98½	98	6.66
Chicago Rapid Transit 1st. & Refunding Mtge.	6½	July 1, 1944	98	98	6.71
Northern Ohio Power & Light Co. Debentures.	6½	Jan. 1, 1941	98	98	6.74
Cuban Domin. Sugar Co. 1st Lien S. F. Loan...	7½	Nov. 1, 1944	99¾	99¼	7.58
Camaguey Sugar Co. 1st. Mtge. S. F. Loan.....	7	Oct. 15, 1942	100	99½	7.05
Pennsylvania Dixie Cement Corporation...	7	Pfd. Stock	—	93	7.53
Victor Talking Machine Company Cum, Prior	7	Pfd. Stock	107½	108	6.48
Willys Overland Co.....	7	Pfd. Stock	98	97½	7.18
The National City Bank of New York.....	20	Stock	832	820	2.44
Republic of Peru Ext. Secured S. F. Loan...	7½	Sept. 1, 1956	104⅜	105	7.09
Hershey Chocolate Corp.	$4	Pfd. Stock	73½	74	5.41
Belgian National Railway Co. Participating Pfd. Stock (American Shares) Market to Yield.....					6.90
General Mills Inc.....	6	Cum. Pfd. Stock	101	101	5.94
Grasselli Chemical Co.....		Common Stock	49¼	49	—
DodgeBrothers Inc....$7		Pfd. Stock	70	74	9.46
Cannon Mills Co....		Common Stock		48	—
Mohawk Carpet Mills Inc.....		Common Stock		40	—
Republic of Finland....	6%	Feb. 1,1958		91⅜	6.10

The National City Company, The National City Bank Building, No. 2A Kiukiang Road, Shanghai, China.

Shanghai Exchange for Week Ending Wednesday, August 15, 1928

By Maitland, Fearon and Brand

Exchange:—Yesterday the price of Bar Silver in London was fixed at 27⅛d per ounce for both spot and forward deliveries, a rise of ⅛d. since this day last week. China has been a small buyer, but little has been heard from India. The local official T/T rate on London remains unchanged at 2/7⅜d., and on New York at 64¼.

The week under review has been one of exceptional dullness, and exchange business in regard to exports and imports has been negligible. The tone of the market has been unexpectedly steady, which can partly be attributed to the decline in the value of the Yen. Speculators have been operating in only a small way, and consequently fluctuations in the price of gold bars have moved within narrow limits. The position as regards Native operators is reported to be at present, over-sold Yen 3,000,000, and overbought in Sterling and Gold Dollars £300,000.

Our Market closes steady and very quiet, with Banks selling T/T on London for August delivery at 2/8 1/16d., on New York at 65⅛ and Yens at 69⅜.

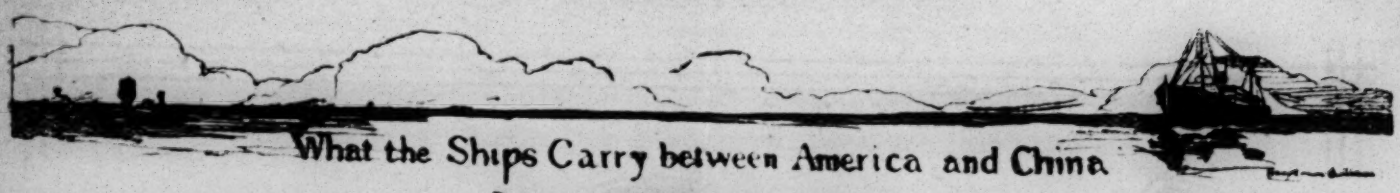
Our stocks of silver are reported as follows:—

Sycee and Bar Silver .... Tls. 53,693,000 a decrease of Tls. 138,000
Chinese and Mexican Dollars..... $ 89,580,000 an increase of $ 3,390,000
Estimated value Tls. 118,190,000 as against Tls. 120,417,000 held at this time last year.

	Average rates for July	Thursday. Aug. 9	Friday Aug. 10	Saturday Aug. 11th	Monday Aug. 13th	Tuesday Aug. 14	Wed Aug. 15
Bank's selling rates		*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*
T/T London	2/7 906	2/7¾	2/8	2/8	2/7¾	2/7¾	2/7¾
D/Dfts ,,	—	2/7 15/16	2/8 1/16	2/8 1/16	2/7 15/16	2/7 15/16	2/7 15/16
4 m/s ,,	—	2/8	2/8¼	2/8¼	2/8	2/8	2/8
T/T India	178.083	177	178¼	178	176½	176½	176⅞
T/T France	1,648,792	1640	1655	1655	1640	1640	1645
T/T N. Y.	64.677	64⅛	64⅜	64⅜	64⅛	64⅛	64⅛
T/T Demand		64⅝	64⅞	64⅞	64⅜	64⅜	64⅜
T/T Hamburg		269	271½	271½	269½	269½	269½
T/T H'kong	77.073	77¼	77	77	77	77⅛	77⅛
T/T Japan	71.094	70½	69⅜	69⅜	70¼	70¼	70¼
T/T Batavia	160 417	159¾	161	161	159¾	159¾	159¾
T/T Straits	86.802	87½	86¾	86¾	87½	87½	87½
Bk's buying rates 4 m/s B/L. Cred. D/A	2/9.906	2/9¾	2/10	2/10	2/9¾	2/9⅛	2/9¾
4 m/s ,, D/P	—	2/9⅞	2/10⅛	2/10⅛	2/9⅞	2/9⅞	2/9⅞
6 m/s ,, B/L Cred D/A	2/10.219	2/10 3/16	2/10 5/16	2/10 5/16	2/10 1/16	2/10 1/16	2/10 1/16
4 m/s B/F Cred D/A or D/P	1,739,000	1730	1745	1745	1730	1730	1725
4 m/s N.Y.Lc.	67.812	67½	68	68	67½	67½	67½
4 m/s ,, Docs	—	68	68½	68½	68	68	68

†Based on Daily Official quotation, higher rate taken on rising Market, lower when falling.	Aug. 9	Aug. 10	Aug. 11	Aug. 13	Aug. 14	Aug. 15
Bullion.						
*London Price of Bar Silver per oz. (English Standard 925 touch)...Pence	27 5/16	27 5/16	27¼	27¼	27¼	27 3/16
**New York Price of Bar Silver per oz. (Pure)	G. $.59¼	G. $.59¼	G. $.59⅛	G.$.59	G.$ 59	G. $.58⅞
Shanghai Price of Gold Bars (weight Tls. 10 (Chauping) 978 touch).....	Tls. 336⁵⁰	Tls. 336⁵⁰	Tls. 388⁷⁰	Tls. 339⁷⁰	Tls. 338⁶⁰	Tls. 338⁵⁰
Shanghai Silver Bars (weight Tls. 100(C.)999 touch)	110⁹⁰	110⁹⁰	110⁹⁰	110⁹⁰	110⁹⁰	110⁸⁹
Shanghai Mexican Dollars per $100.....	71.95	71.9875	71.9875	71 9375	71.9625	71.9875
Native Bank Rate of Interest (Call money).....	2%	1½%	2%	2½%	2%	2½%
*Closing Price in London for Previous day						
**Closing Price in New York for Previous day						

Bank of England rate of discount	4½%	London Paris on	T/T 124.26
Bank of France rate of discount	3½%	New York on London	T/T 485 5/16
London open Market of Dis. 3 m/s	4 5/16%	Bombay on London	T/T 1/5 3/32
,, 4 ,,	4 5/16%	Hongkong on London	T/T 2/0⅛
,, 6 ,,	4 3/8%	Kobe on London	T/T 1/10¼



What the Ships Carry between America and China

Return of the Shanghai Customs

Pls.—1 Picul or 133 1/3 pounds; Bls.—Bales; Pcs.—Pieces; Mille—thousands; Hk. Tls.—Haikwan Tls.; Aug Customs Rate Tls. 1.38 equal Gold $1

SINKIANG July, 16.

from Tsingtao.

Silk, Raw, Steam Filatures:		
White.....	Bls. 3	Pls. 3
Yellow.....	,, 54	,, 54
Silk Cocoons, Refuse ..		,, 54
,, Refuse		,, 18
Almonds, Bitter		,, 16
Brass Ingots.....		,, 275
Brassware		,, 4
Clay, Red		,, 245
Cotton Yarn, Grey.....		,, 186
Glassware.....		,, 31
Groundnuts, Kernels ..		,, 1,680
Seeds, Melon		,, 5
Straw Braid		,, 24
Eggs Fresh	Mille	577

LYONS MARU, July 17.

from U. S. A.

Steel Sheets.....	Pls.	103

MALAYAN PRINCE, July 19

From U. S. A.

Aluminium Foil.....	Pls.	23
Brass Tubes	,,	34
Iron Chains	,,	10
Iron Galvanized:		
Tubes.....	,,	374
Tube Fittings.....	,,	206
Steel Rope.....	,,	22
,, Sheets.....	,,	142
Steel, Galvanized:		
Sheets, Plain	,,	158
Wire Shorts	,,	405
Tinned Plates, Plain....	,,	1,680
,, ,, Scraps ..	,,	431
Ammonia, Sulphate of..	,,	840
Carbon Black	,,	190
Cotton Raw Bls. 126	,,	452
Lead-foil and Tin-foil Mixture	,,	562
Leather, Calf	,,	3
Tobacco, Leaf	,,	6,596
Motor-cars	Pcs.	1
Cigarettes	Mille	150
Oil, Fusel.....	Galls.	230
Oil, Lubricating, ...	Galls.	7,500
Machinery	Hk. Tls	35,227
Treasure:		
Silver Bars.....	,,	1,835,310

AMAGI MARU, July 19.

From U. S. A.

Copper Ingots.....	Pls.	8,400
from Japan		
Jeans, Grey, over 12¼ lb	Pcs.	800
Cotton Flannel, Printed, 30 in. by 31 yd.	Pcs.	911
Cotton Sateen Drills:		
Black, Plain.....	,,	750
Printed.....	,,	450
Black, 8 shaft	Yds.	100,200
Cotton, Raw:		
American ..	Bls. 300	Pls. 831
Acid, Nitric.....	,,	93
,, Sulphuric	,,	225
Tobacco, Leaf	,,	593

HAMBURY MARU, July 26.

To U. S. A.

Silk, Waste, Refuse:		
Shanghai	Bls. 46	Pls. 51.61
Tea Black, other kinds, Kiukiang		256
Tea, Green:		
Young Hyson, other Ports		,, 34
Egg Albumen, Dried ..		,, 83

SIBERIA MARU, July 27.

To U. S. A.

Pongees, Shantung	Pls.	2.44
Beans	,,	316
Egg Yolk, Dried	,,	37
Lead Ore.....	,,	840

PRESIDENT ADAMS, July 9.

From U. S. A.

Cotton Cloth, Rubberized	Yds.	3,687
Aluminium Sheets	Pls.	81
Iron Bolts.....	,,	150
Steel Screws.....	,,	429
,, Galvanized: Sheets.	,,	844
,, Wire Shorts.....	,,	425
,, Washers	,,	171
Tinned Plates, Plain...	,,	420
Aluminium Foil.....	,,	124
Canned Fruits, Table...	,,	62
Dextrine	,,	84
Indigo Paste, Artificial:		
20 per cent	,,	1,250
50 ,, ...	,,	21
Ink, Printing	,,	85
Leather, Calf.....	,,	19
,, Cow.....	,,	4
,, Kid.....	,,	1
,, Patent	,,	3
Oranges, Fresh.....	,,	940
Paints: Unclassed	,,	34
Paper Covers	,,	18
,, Duplex Board..	,,	317
,, Ledger.....	,,	63
,, Newsboard....	,,	155
,, Writing.....	,,	522
,, Unclassed	,,	53
Raisins	,,	563
Soda Ash.....	,,	126
Sulphur Black	,,	1,343
Machines, Knitting ...	Pcs.	13
,, Sewing.....	,,	7
Motor-cars	,,	34
Oilcloth	,,	1,509
Skins, Land-otter	,,	205
,, Unclassed	,,	475
Typewriters	,,	50
Canned Sardines	Doz.	800
Files.....	,,	42
Hosiery	,,	30
Milk, Malted.....	,,	8
Shoes, ...	,,	233
Cigars	Mille	10
Lemons	,,	89
Oil, Lubricating, Mineral	Galls.	3,409
Paints: Unclassed....	,,	72
Varnish.....	,,	1,059
Dyes, Aniline Pkgs, 178	Hk. Tls.	12,574
Machinery	,,	40,052
Infants' Food	,,	694
Treasure:		
Silver Bars.....	,,	1,178,280
,, Bullion	,,	424,691

Latest New York Stock Exchange Quotations

Market Closed Irregular. Tel. 18891-18990 Aug. 8

Market Closed Weak. Business done 2,250,000

STOCK	Monday Aug. 13	Tuesday Aug. 14
Allied Chemical & Dye (Common)	177	176
American Can (Common)	93⅛	92⅛
American Radiator	146	146⅛
American Smelting	200	199⅛
American Telephone & Tel. (Common)	174⅜	174¼
American Tobacco "B"	None	159¼
Armour & Co. "A"	19	18¼
Armour & Co. (Ill.) 7% Pfd.	87	86⅞
Anaconda Copper	65¼	64½
Baltimore & Ohio	105	105
Bank of Montreal	352	352
Bethlehem Steel (Common)	57¼	56⅜
Bethlehem Steel, 7% Pfd.	None	117¼
Canadian Marconi	6¾	6⅝
Canadian Pacific Railway	203	202¾
Canada Dry Ginger Ale	73	73¼
Cerro de Pasco	76⅛	76¼
Interboro Rapid Transit	—	44
Chrysler	93⅞	96¼
Consolidated Gas of New York	145¼	144
Coty Incorporated	191	189
Du Pont de Nemours E. I. (Common)	366	361⅛
Eastman Kodak	179¾	179
Electric Investors	59⅛	None
Fox Film "A"	83	82⅝
General Cigar	60½	60¼
General Motors	182¼	176½
Gold Dust	89	88
Hudson Motor Car	78⅝	76½
Industrial Rayon	83¼	83
International Cement (Common)	63⅛	63⅛
International Match, Pfd.	102¼	101¼
International Nickel (Common)	96½	96⅞
International Products Corp. (Common)	None	None
International Products Corp., Pfd.	None	None
International Telephone & Teleg.	169¼	168⅜
Kelvinator	9¾	9¾
Kennecott Copper	94⅜	94⅜
Liggett & Myers, Class "B"	88⅜	87¼
Loews Inc.	54	55⅞
Lorillard Company (Common)	28⅞	28⅞
Mack Trucks (Common)	89⅛	88½
Madison Square Garden	24	24
Missouri Pacific By.	60⅞	60¾
New York Air Brake Co.	42	41½
New York Central (Common)	162⅜	161¾
North German Lloyd 6's 1947	92⅜	92½
Pacific Gas & Electric Co.	47½	47¾
Packard Motor Car Co. (Common)	77	77⅝
Pennsylvania Railroad	63¾	63½
Radio Corporation	174½	172⅜
Remington Rand (Common)	27	26¼
Reynolds Tobacco, "B"	132	132
Sears, Roebuck & Co.	126⅞	126
Standard Gas & Electric (Common)	63½	63⅛
Standard Oil of California	57⅛	56⅞
Standard Oil of Indiana	76	75
Standard Oil of New Jersey	44⅝	45
Standard Oil of New York	35⅛	35¼
Texas Corporation (Common)	60⅜	61⅛
Texas Gulf Sulphur	67¼	67½
Timken Roller Bearing	124	123⅜
Union Carbide	159	155⅓
Union Pacific Railroad (Common)	None	192½
United States Leather	None	60⅛
United States Realty & Imp Co.	79½	79½
United States Rubber (Common)	32	31¼
United States Rubber, 8% Pfd.	60¼	61
United States Steel	143¾	142⅛
Westinghouse Electric (Common)	94	93¼
Underwood Elliott	68	67½
Wright Aeronautical	149½	148

GOLDEN DRAGON
CIGARETTES

for descriminating smokers.

Nanyang Bros. Tobacco Co., Ltd.

上流社會之交際品

白金龍香烟

人人愛吸

冪冪風行

南洋兄弟烟草公司出品

no:B128.

Chinese Government Railways

Peking-Hankow Line

"The Road Through the Heart of China"

For the safety of the travelling public, guard vans with armed police are provided for every train and more than 400 armed railway policemen are on duty at the various large stations.

To facilitate the passengers in making fast connections, local trains are run between Chengchow and Chang Teh and between Hankow and Kouang Choei.

To meet the demands of the travelling public, third class tickets are sold on the Special Express Trains running between Hankow and Chengchow with only a small additional charge.

For the comfort and convenience of the passengers, the Dining and Sleeping cars are newly embellished with all modern improvements.

For quick transportation of goods, many additional freight trains are scheduled under the supervision of our Traffic Department.

In spite of the urgent demand for troop trains, our regular trains are always operated on scheduled time.

TIME TABLE

TRAIN	DEPART FROM	ARRIVE AT
* 1 Express	Hankow (T.C.M.) Every Monday 10 P.M.	Chengchow Every Tues. 6:55 P.M.
+ 2 Express	Chengchow Every Thurs. 10 P.M.	Hankow (T.C.M.) Every Fri. 8:40 P.M.
‡ 5 Local	Hankow (T.C.M.) 6:10 P.M. Daily	Chengchow 6:43 A.M. Third Day
6 Local	Chengchow 7:15 P.M. Daily	Hankow (T.C.M.) 6:48 A.M. Third Day
51 Local	Chengchow 8:00 A.M. Daily	Chang Teh 5:00 P.M.
52 Local	Chang Teh 8:23 A.M. Daily	Chengchow 5:45 P.M.
74 Local	Hankow (Y.T.M.) 7:30 A.M. Daily	Kouang Choei 1:38 P.M.
75 Local	Kouang Choei 8:00 A.M. Daily	Hankow (Y.T.M.) 2:10 P.M.

REMARKS: *With First and Second Class Sleeping and Dining Cars. +Third Class tickets are sold on this train with a small additional charge. ‡With 1st, 2nd, 3rd Class Cars and Dining Cars.

Telegraphic Address "KINCO" Code A. B. C. 5th Edition. For further information, address Mr. C. H. Yang, Managing Director, Peking-Hankow Line, Hankow.

Lung-Hai and Pien-Lo Lines

In Operation: From Tapu (Haichow) to Lingpao: 825 Kilometers

In Construction: From Lingpao to Sianfu: 225 Kilometers

"The Great Overland Route in China"

This Line will soon become the most important Railway in China, connecting as it will, the remote provinces of Kansu, Shensi and Honan with the sea and passing through the ancient and famous capitals of Lanchow, Sian, Loyang and Kaifeng.

There are many points of historical interest to visit along the line, the best known being Lung-Men with its gigantic display of carved stone Buddhas, dating back from the introduction of Buddhism into China, some 2000 years ago.

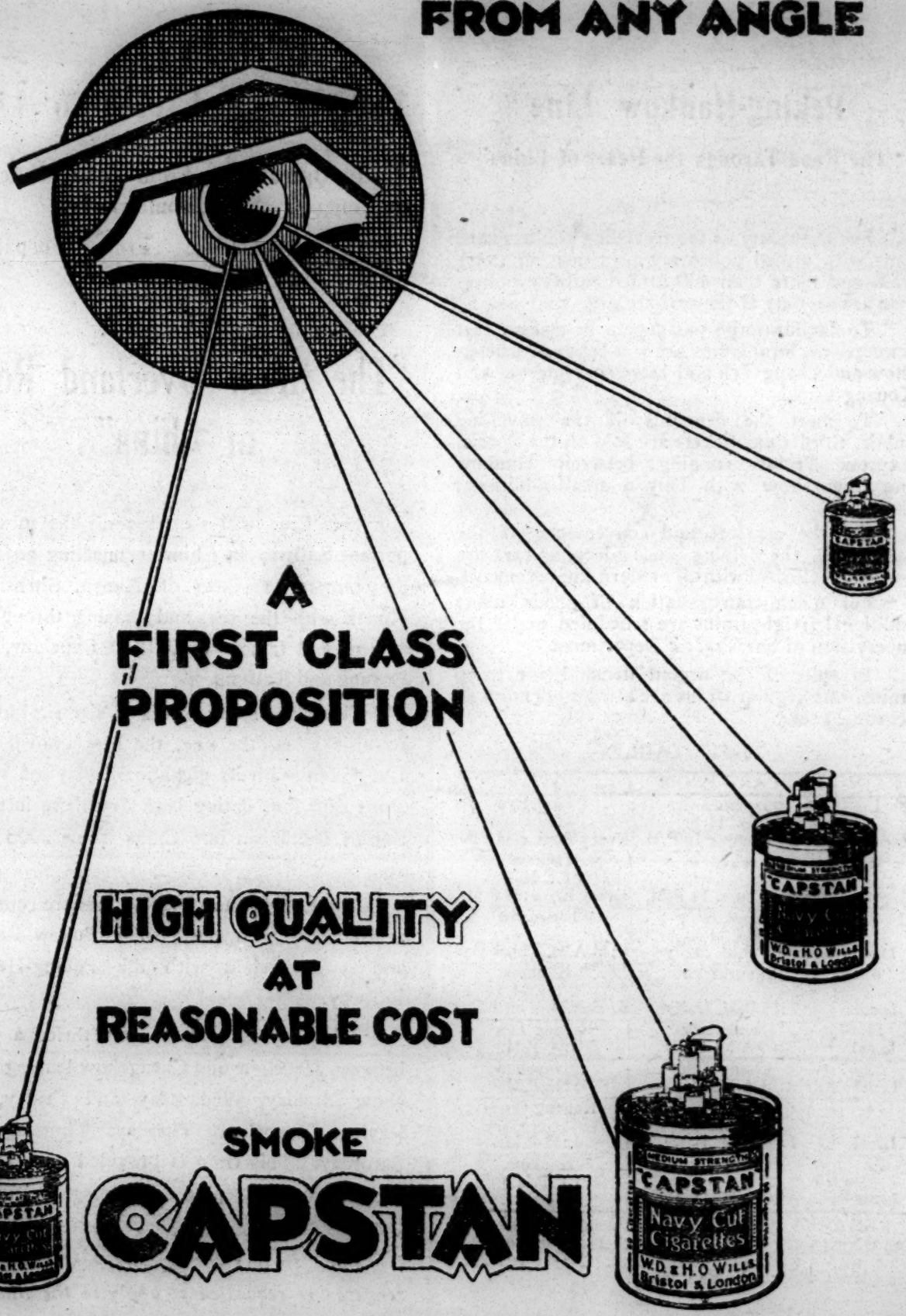
The Lunghai and Pienlo Lines are connected at Hsuchow with the Tientsin-Pukow Railway and at Chengchow with the Peking-Hankow Railway.

An "Express" train runs thrice a week between Hsuchow and Chengchow leaving Hsuchow Monday, Wednesday and Friday, and leaving Chengchow Tuesday, Thursday and Saturday. This train is provided with 1st and 2nd class cars, sleeping and dining accommodations.

For further particulars, intending passengers are requested to apply to the Shanghai Office, Lunghai Railway Administration, at the Chung-Foo Bank Building, 25 Jinkee Road.

Shanghai

LOOKED AT FROM ANY ANGLE



A
FIRST CLASS
PROPOSITION

HIGH QUALITY
AT
REASONABLE COST

SMOKE
CAPSTAN

MADE IN ENGLAND

EB-784 This advertisement is issued by the British-American Tobacco Co., (China) Ltd.

中華郵政特准掛號認爲新聞紙類

Registered at the Chinese Post Office as a newspaper for transmission with special marks privileges in China.